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## **FRACTIONAL CURRENCY COLLECTOR'S BOARD**

# **November 1993 Newsletter**

A quick look at the calendar and I had the sudden realization that it was time for another issue of THE NEWSLETTER! There have been several auctions of Fractional in the last few months and several more are scheduled shortly. Member Korin decided to move his collection through the Auction channel and was quite successful. Member Liechty's collection will be auctioned shortly. In the meantime a formerly unknown collection turned up through the standard dealer network and is being offered publicly.

Two new items have been discovered. 2R50.3d has been listed for some time as "RARITY: Unknown". It has surfaced and is now listed as "RARITY: Unique". Please correct your "Encyclopedia" and "Index" to agree. Some time ago, Doug Hales unearthed a copy of the 1E5F.3 that had been cut down to appear as just a stamp and had then been submitted to the Philatelic foundation for authentication. This item was listed as 1E5F.3a. Since that discovery, Doug has now found another variation of 1E5F.3 that has a double frame line around the complete note in place of the single border found on 1E5F3!

Member/Dealer Don Kelly unearthed an old collection of "Fractional Currency" that had been mounted on commercial Album pages of the period. He sent a photocopy of the two different page printing used and thought it might be of interest that such early albums were available. They are reproduced superimposed in order to save space!

President Doug Hales advises that he has been in touch with the Box Maker regarding our orders for "Second Issue" Boxes. The vendor is still having EPA problems and hopes to ship some day soon...

At our Memphis meeting, The Wilson's announced their acquisition of an envelope that once contained a Fractional Collection. They sent a photocopy of the envelope for our information. The envelope is most interesting and is reproduced on the following pages as well as a January 26, 1868 letter from Spinner that discusses content and price changes in Specimen Sets. PLEASE NOTE: The census data on the front of the envelope is NOT correct. It is entirely possible that the data was correct when the envelope was written, but final production numbers are considerably different!

You will find a group of reproduced articles attached covering specific recent clips from publications. No major importance, but interesting...

I had the opportunity to visit the Toronto Science Museum and witnessed an interesting demonstration of Paper Making that can be duplicated in your own home. A photocopy of their instruction sheet is attached for your edification and experimentation. At about the same time, I ran into an article on Paper Storage that should be read carefully by each of us. A copy is attached for your records

Encased Postage is of interest to most of us because it was a precursor to Postage Currency. An excellent article in "Bank Note Reporter" is attached for your reading!

"College Currency" falls into the same ancillary class of item as the "Encased Postage". Hopefully, you will enjoy reading about them.

As a matter of curiosity, an attached article headed "Fractionals-Collector's Notebook" discusses shields properly but then illustrates the "Danforth" shield instead of the BEP issued shields. There is only one known copy of the "Danforth" shield. Shows that journalists need to do a better research job!

Articles from the "Bank Note Reporter" covering the Great Treasury Theft and questions concerning Fractional are included. Also included is a fascinating old article from "PAPER MONEY" discussing the signature of F.E. Spinner.

Member Bob Laub, P.O. Box 1945, Southold, N.Y. 11971-0945 516-765-0945, has asked for some help in locating some material. An excerpt from his letter follows:- I am asking for help in trying to locate research material. The type of material are articles, catalogues, prices realized, also books. Some Examples are the 1967 Lilly Sale, 1958 Burgett Sale, early Glazer sales.... Member Michael Perricelli sent a copy of the Scott Winslow sale of April 30, 1993 and a copy of lot 137 of that sale. Also included was lot 67 of Winslow's August 12th sale. They are reproduced with the Winslow firms address.

Thanks to Members, Hales, Kelly, Laub and Perricelli for their submissions..

I will not be attending the Memphis June, 1994 meetings but will be at The FUN show in Orlando. I will be in Tampa (813-961-3485) from December 20, 1993 through January 12, 1994 and would be happy to get together with any of the FUN attendees! As a side note my absence from Memphis is caused by an Alaskan trip, not by a lack of interest!

M.R. Friedberg



for your "Encyclopedia"

1ESF.3. SERIES: Essay. FACE: Black. BACK: None. PAPER: White India paper. RARITY: Unique. SPECIAL NOTES: Wide Margins.

1ESF.3a. Essay. FACE: Black. BACK: None. PAPER: White India paper. RARITY: Unique. SPECIAL NOTES: Cut to Postage Stamp size.

Accompanied by "The Philatelic Foundation" Expert Committee Certificate Number 0238966 dd 4/18/1991 stating "unused, Scott 75E variety, unlisted essay, and we are of the opinion that:

It is a genuine proof in black, cut out from 5 cent Postage Currency (Type of Scott 1)".

1ESF.3b. Essay. FACE: Black. BACK: None. PAPER: White India paper. RARITY: Unique.

SPECIAL NOTES: Identical to 1ESF.3 except Outer Frame line is double.

Trimmed to note size.



double frame line

album pages  
from  
Don Kelly

THE NEW YORK PUBLIC LIBRARY ASTOR LENOX TILDEN FOUNDATION

ISSUED TN 1862-3

THE NEW YORK PUBLIC LIBRARY ASTOR LENOX TILDEN FOUNDATION

ISSUED TN 1863

# WILSON'S ENVELOPE

Mr. Chase when preparing to issue greenbacks, consulted with other friends - the President of the Philadelphia Bank; as to a legend for these bills, as "In God we trust" had been selected for the coin issue. After repeating several mottoes and scriptural selections, Mr. Chase requested his correspondent's opinion as to the most appropriate legend for the bills. The banker replied perhaps the most appropriate text would be "Silver and gold have I none, but such as I have give them". After that no legend for the fractional currency or greenbacks was proposed by the Secy.

E. A. H.

## U.S. Fractional Currency. (Shin-plasters)

The government commenced to issue these notes, Aug. 21, 1862 and closed the series Feb'y. 26-1874.

Denomination	Issued in	Amount
3¢	all issued in 1864.	601,923.90
5¢	" " " 1862	5,694,717.85
10¢	" " " "	82,198,456.80
15¢	" " " 1864 and 1869	5,305,568.40
25¢	" " " "	139,031,482.00
50¢	" " " "	133,891,930.50
Total issue		368,724,079.45

It is estimated by government that \$8,000,000. will not be presented for redemption from destruction of notes and preserved as relics.

NOTE: DATA NOT CORRECT!

WILSON'S LETTER

JAN 26 1868

SIR

I AM IN RECEIPT OF YOURS OF THE 22ND ????

\$3.35 IN EXCHANGE FOR WHICH YOU WISH A SPECIMAN SET  
OF ALL THE FRACTIONAL CURRENCY THAT HAS BEEN ISSUED.  
THERE HAVE BEEN SEVERAL ADDITIONS MADE TO THE SET BY CHANGE  
OF VIGNETTES ON THOSE PREVIOUSLY ISSUED, AND SOME NEW  
ISSUES, SINCE WE FURNISHED A SET TO THE BANK. A  
FULL SET NOW AMOUNTS TO \$5.63. PLEASE SEND \$2.28  
MORE, AND I WILL FORWARD YOU THE CURRENCY AT ONCE.

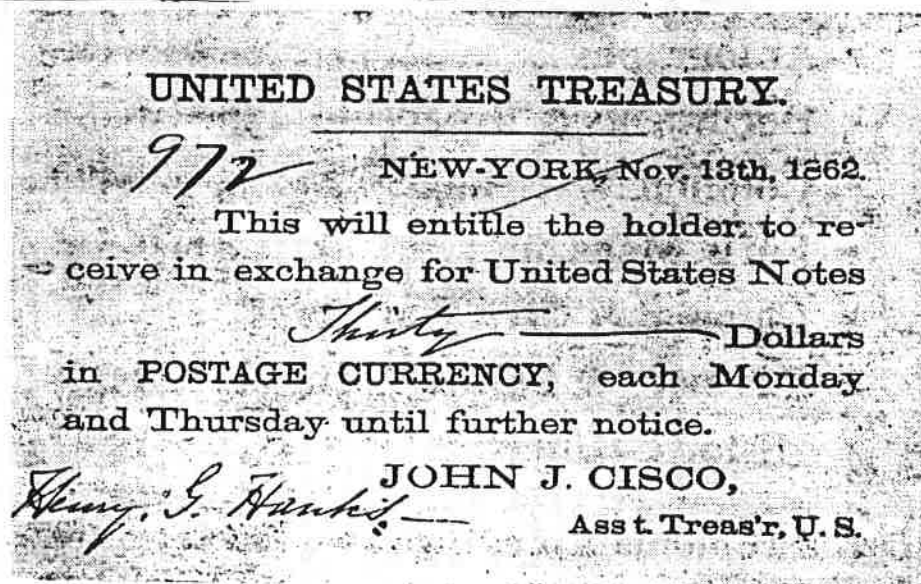
VERY RESPECTFULLY,  
F. E. SPINNER  
TREASURER US

JOS PERKINS ESQ.  
SECOND NATIONAL BANK  
CLEVELAND, OHIO

THE Physical location of this  
well known item has finally  
been pinpointed! mlf 11/1/93

November 1993

BANK NOTE REPORTER



## Note of the Month

→ This little item was supplied for my column courtesy of Ernie Keusch of New Jersey. He told me about it at the Parsippany show, and it seemed interesting enough that I indicated I'd like to show it as a Note of the Month — so here it is. It is nothing less than a Postage Currency ration card issued by the U.S. Treasury in 1862, months before the first issue of Fractional Currency was authorized and issued. This fact is important because the government had *never* authorized the issue of Postage Currency, the law of July 17, 1862, having called for "postage and other" stamps to be used as money. The fact that F.E. Spinner came up with the much better idea of creating Postage Currency still did not alter the fact that they were technically illegal. It was not until the 1863 law allowing for Fractional Currency mentioned the Postage Currency, thus backdooring it into legal status.

# Stamps used as coins popular with hobbyists

By Neil Shafer

The field of encased postage stamps seems always to be a perennially popular collecting area. Most likely this is because of the unusual nature of these pieces together with their relative scarcity.

Without doubt, the best-known segment of such pieces is that encompassed by the oldest of them, U.S. issues during 1862. The Civil War spawned a host of privately sponsored issues both in metal as well as paper. The most unique of these in character as well as concept was the encased postage stamp idea.

Before we go any farther, I think it's advisable to define exactly what these pieces are and put them in proper perspective with regard to the whole area of the use of stamps as money. There are two distinct segments that comprise the field of stamps as money, encased postage stamps and stamp money in general.

Encased postage stamps are an emergency currency, one of the many ways devised of sidestepping a given shortage of circulating coins. Stamps are placed into a casing of some kind (metal, celluloid, cardboard, plastic, etc.), after which they enter circulation according to the face value of the stamp showing. The case itself shows the name of the issuer, much as an advertisement might.

The rest of the field, stamps as money (now excluding the encased pieces), is a very broadly based and complex area. Much research has already been accomplished, but a great deal remains to be studied, sorted out and verified.

These pieces take a number of forms, including but not limited to stamps affixed to cardboard, housed in small envelopes, or stamp images printed on thin cardboard. All of these are outside the scope of this column.

The U.S. issues of encased stamps have been well documented through a number of excellent catalogs and articles. These pieces are generally scarce for the most part, but can readily be found on the marketplace. One only has to be willing to pay the usual asking prices, ranging from the low hundreds to the several thousands, depending on issuer named.

Not so well known are all the rest of the world's encased postage stamps, of which there are quite a number. Most are from areas of Europe and were made during the period immediately following the close of World War I. As would be expected, since the prevalence of paper *notgeld* of Germany is so widely realized, the German series of encased stamps is also the most extensive by far. Many hundreds of major types and minor varieties exist.

The second largest single group of World War I encased stamps is that of France. In this connection we must also introduce the name of Gilles Blancon, a native of France now residing in Germany. Blancon has taken on the most ambitious task of studying and building a super-collection covering the entire spectrum of stamp money in all of its various manifestations.

From personal observation I can report that he has achieved an unparalleled success by assembling the best possible collection of this material ever formed. Within recent weeks, he has agreed to produce a catalog for Krause Publications covering all encased postage stamps ever issued worldwide. Assisting him as and when possible will

be Arlie Slabaugh and myself.

Slabaugh wrote his own catalog on the subject some years ago, and remains intensely interested in the field. I have actively sought such pieces for years and have also written on them; if time had permitted, I had serious thoughts about producing a catalog with Albert Pick, Gilles Blancon, or perhaps all three of us.

Courtney Coffing is to serve as coordinating editor for Krause Publications, since he is in Iowa and he revived the possibility of such a catalog being produced. Release date for this work has not yet been considered actively.

Aside from the United States, as far as other countries' involvement in this field is concerned, after France and in roughly descending order (by amount of issuers) they are Austria, Italy, Denmark, Belgium, Spain, Portugal, Norway, Czechoslovakia, New Caledonia, Luxembourg, Greece, China, Monaco, Canada, Fiume, Algeria and Argentina. Many of these places are represented by only single issues, some with two or three different, and only a few with a dozen or more. Keep in mind that we are limiting this discussion to encased postage stamps only.

Practically all encased postage stamps are privately issued, with specific advertising on the casings. The only exception is the two-value set from New Caledonia emitted by the Banque de l'Indochine, 25 and 50 centimes (and thus shown in the Pick catalog as a paper money issue).

One obvious cause for the lasting

## PAPER MONEY NEWS & VIEWS



The granddaddy of the whole encased stamp series, an example (enlarged) of the U.S. issues of 1862. Brass casings, mica covering for the stamp, and each had its own advertising message on the casing.

popularity of encased postage stamps is that both numismatists as well as philatelists can lay legitimate claim to them, and most are truly scarce. Certain issues approach the high rarity mark, being known in only one or two pieces.

The latest group to have been made comes from the severe Italian coin shortage of 1976-1978. In certain areas the local merchants' association took upon itself the task of creating "coinage" by encasing stamps in a green molded plastic casing for the majority of the pieces (other kinds of plastic casings were also used, but rather sparingly).

The city of Modena saw the heaviest usage of these issues; relatively few made their way to the numismatic market (being "too new" to be worth noticing), so they are rarely seen today. In fact, most collectors are not even aware that they exist.

(I've met this "too modern" foolishness before, when I tried for years to

interest collectors in food stamp/coupon change issued from the 1960s to 1978. Now that such pieces are starting to attain a bit of age, plus diminished availability, of course, it seems easier to convince people to at least consider their appeal and historical interest. So it goes with most such things; we keep on inventing the wheel.)

Despite everything written above, a basic representative collection of encased postage stamps can readily be achieved with a little patience and a lot of looking and asking. They're fun, they're different, and from now on they will most likely become even harder to locate as their collector base broadens.

### Selected Bibliography of Encased Postage Stamps

Broustine, Dr. Pierre, *Timbres-Monnaie et Colonies*. France, 1988.

Shafer/Page 18



July 1993

BANK NOTE REPORTER

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# BANK NOTE CLINIC

■ *Were the Confederate notes printed on watermarked paper?*

One of the great difficulties that the Confederate printers had was obtaining a consistent supply of paper upon which to print the notes. As a result, the Confederate notes are found with many different watermarks and on many different papers. Not all of the papers were watermarked, either.

COIN WORLD, Monday, November 8, 1993

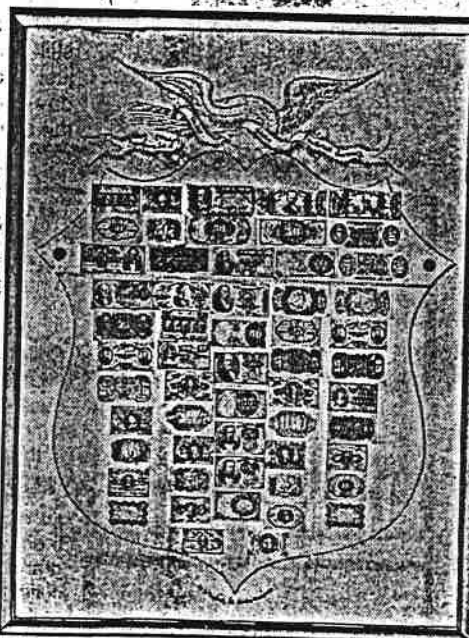
## Fractionals

Five issues of fractional currency were issued during the Civil War to provide citizens with some way to use "small change" in their day-to-day activities.

These small notes, whose designs resembled postage stamps, were issued in denominations of 3, 5, 10, 15, 25 and 50 cents. A total of \$368,720,000 in these small notes was issued between 1862 and 1876.

Shields of specimen fractional currency notes were often designed and sold to banks and merchants to use to compare a suspected counterfeit note against a genuine specimen. **CW**

Collector's Notebook  
A COIN WORLD FEATURE



**CURRENCY SHIELD** offered merchants and bankers the opportunity to compare specimens.

## U.S. stamp facts

10¢ 1855; type IV (1851 series) stamp

Scott 16

Produced by: Toppan, Carpenter, Casilear & Co.

Engravers: Joseph I. Pease (portrait) and Henry Earle (border and lettering)

**Plate arrangement:** standard 200-subject format. Type IV comes from eight recut positions scattered throughout the plate, seven on the left pane and one on the right. Of the eight recuts, four are recut at top only, three at bottom only, and one at both top and bottom.

**Type description:** outer frameline at top and/or bottom recut by hand. Underlying design is type II (four positions) or type III (four positions). Complete ornaments at sides.

**Plate number:** 1 (In this issue, each denomination was given a separate series of plate numbers starting with "1.")

**Quantity issued:** estimated at 200,000 by Lester Brookman

**Largest known unused multiple:** pair is listed in the Scott *Specialized Catalog of United States Stamps*, but no record of such pair has been found.

**Largest known used multiples:** two blocks of four, each part of a larger block with other types.

**Known blocks of four or larger:** two (described under "largest known used multiples")

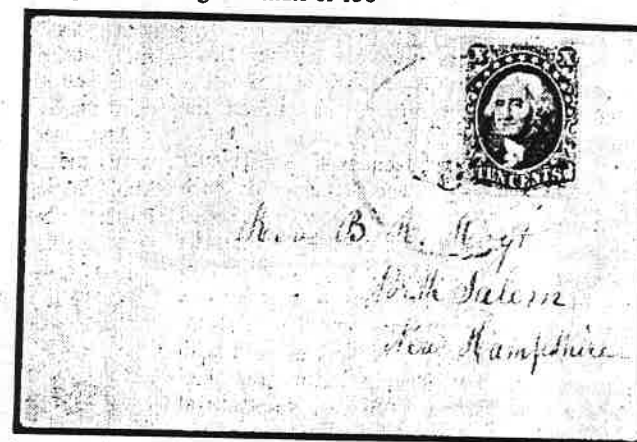
**Earliest known use:** no record of the earliest known use of this type has been found

**Most typical use:** single-rate letters (not more than ½-ounce) going more than 3,000 miles between two points within the United States.

**Estimated surviving covers:** rough estimate of 150



10¢ type IV, recut at top



1855 10¢ type IV stamp, recut at top and bottom, on cover.

19. ©1993, Linn's Stamp News, Box 29, Sidney, Ohio 45365

By Jerome S. Wagshal

This is the stamp used  
as the basis of the  
10¢ Postage Currency

NOTE:-

Ken Keller is a FCCB Member!

# Some treatments risky unless methods known

## Best to store paper properly

From time to time, I receive letters from readers asking whether conservation "treatments" they have read or heard about are safe and acceptable for their numismatic collection. I received such a letter from K. Keller of Ohio.

Mr. Keller enclosed a newspaper article (no date given) which had been originally published in *The New York Times*. The article describes a bulk conservation treatment for degraded books developed in Britain for the British Library at the British Museum. The article states: "The British Library has found a new weapon in the campaign to save crumbling books: gamma rays."

According to the article, books are



### Preserving Collectibles

Susan L. Maltby

"doused with a chemical mix of monomers (a simple form of a chemical compound) ... [and] then irradiated with gamma rays, which change the monomers into polymers." The result of this treatment is that "the polymers thoroughly coat the paper fibers ... strengthen each page ... and did not harm inks or bindings."

The article says that with the gamma ray method, also referred to as graft co-polymerization, volumes can be treated in bulk at an average cost of between \$4.50 to \$8 a book.

Mr. Keller asked what I thought about this technique and whether it was available in North America. This month I would like to share with you my response.

In researching this question I spoke with Helen Burgess, senior research scientist at the Canadian Conservation Institute in Ottawa. Burgess is one of the leading experts on paper conservation treatments. She has carried out extensive research into treatments which deacidify and strengthen degraded paper.



**HAD THIS** note been subjected to a gamma ray treatment earlier, it might have survived in better condition. However, the gamma ray treatment is forever and non-reversible.

Burgess said that the technique used by the British Library appears to be quite good and sound. Unfortunately, it is cloaked in a great deal of secrecy and none of the technical data from the museum's research and experimentation has been shared with the scientific community. Still, the principles on which it is based are fairly straightforward.

Cellulose is a long, chain-like glucose polymer which is degraded, or broken down, when subjected to acids or excessive amounts of light. As the cellulose polymer degrades, its long chains are broken into smaller units. The shorter the cellulose chain gets, the weaker the paper becomes. It is the breakdown of the cellulose molecules which makes old degraded paper so brittle and friable.

Essentially, the British Library gamma ray treatment grafts an acrylic polymer (which is created when the monomers are polymerized by the gamma radiation) directly to the cellulose in the paper. The polymer "knits" the paper back together at the molecular level by rejoining the cellulose units which have broken apart during degradation. The new acrylic polymer is considered to be quite stable and inert. Burgess said that the books subjected to this treatment are strengthened considerably.

As of this writing, the British Library

treatment is not available commercially. But more importantly, one should consider whether this is a treatment that you would choose for your numismatic collection. The acrylic polymer created by this technique is considered to be stable and inert which means that over time it will not change chemical make up or adversely affect the paper.

However, this technique is not reversible. Once the polymer is generated with the paper it is there for life. There is a way to wash the polymer out of the paper. Non-reversible treatments such as this are only selected by conservators when other methods have been exhausted.

Personally, I would rather see collectors properly store paper notes, fragile or otherwise, out of the light and in acid-free stable housings than consider subjecting them to this treatment. Fragile notes can be placed in ready-made Mylar™ holders (available from the Taylor Made Co.) encapsulated between two sheets of Mylar™. The static charge on the Mylar holds the document in place and helps hold the document together. Encapsulation is a technique which was developed and refined by the Library of Congress and commonly used by museums to reinforce weak paper documents. Encapsulation does not alter the condition of the object but supports and protects it from physical wear and tear (see "Saving Money," November 1990, for encapsulation instructions). Once safely encapsulated or housed in a Mylar holder, there is little reason to remove a fragile note from its housing.

The graft co-polymerization technique is a fascinating treatment which was developed specifically to deal with the problems faced by libraries world wide. They have to deal with the fact that thousands of books in their collections are in poor condition and are made from inherently unstable acidic paper. Inexpensive bulk conservation treatments are essential if libraries are to address the problem. The problems faced by the average collector, though, are on a much smaller scale. For the most part I feel the numismatist would be wiser to take a more passive approach to deal with degraded and fragile notes.

#### Supplies:

Encapsulation Mylar™ (type D) and encapsulating tape (3M Scotch Brand™ double-sided pressure sensitive tape No. 41: Conservation Materials Ltd., 1165 Marie Way, Sparks, Nev. 89431; telephone (702) 331-0582, FAX (702) 331-0588.

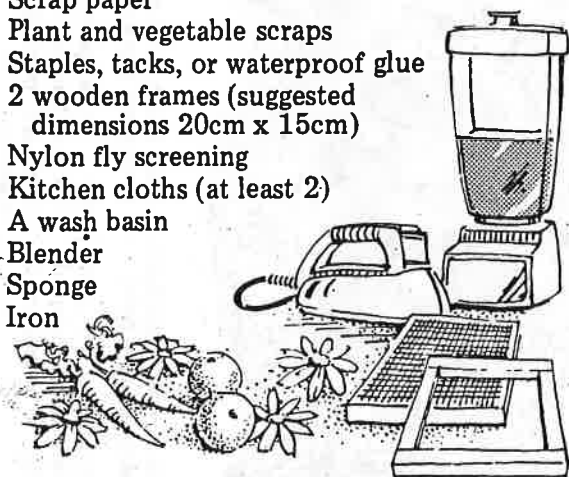
Ready-made Mylar™ (type D) enclosures: Taylor Made Co., P.O. Box 40 Lima, Pa. 19037; telephone (215) 453-0999, FAX (215) 459-3867.

**Susan L. Maltby**, Toronto, is a private conservation consultant. She has written and spoken about numismatic preservation and cleaning on a number of occasions.

# PAPERMAKING AT HOME

## Equipment

Scrap paper  
Plant and vegetable scraps  
Staples, tacks, or waterproof glue  
2 wooden frames (suggested dimensions 20cm x 15cm)  
Nylon fly screening  
Kitchen cloths (at least 2)  
A wash basin  
Blender  
Sponge  
Iron



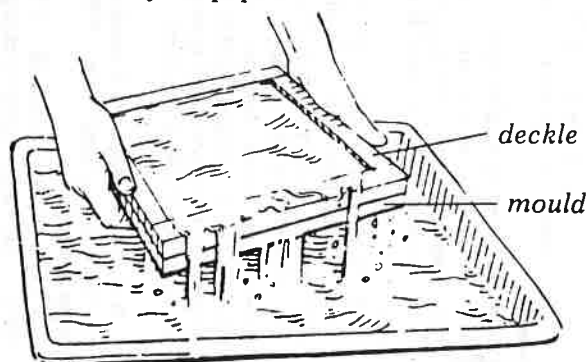
**1** To make paper you must first make a 'paper mould' - a wooden frame with nylon fly screen stapled tightly to it. You can use a second wooden frame (deckle) without the fly screen to help make your paper more even.

**2** Take some scrap paper, remove any plastic or staples, tear it into small pieces (about 2 cm square) and soak it in hot water for half an hour.

**3** Take a handful of the soaked paper and put into a blender about half-full of warm water. Blend at a moderate speed until you no longer see pieces of paper. (If you have problems, take out some of the paper.) To this mixture (pulp) you can add small amounts of vegetable material like orange peels, carrot tops or flowers, and blend again.

**Colouring the Pulp:** If you want coloured paper, you can add fabric dye to the pulp. Make sure the dye is non-toxic.

**4** Pour the mixture into a large plastic basin, half-full of warm water. Increasing or decreasing the amount of the pulp will affect the thickness of your paper.



**5** Place the deckle on top of your screen. With both hands, dip the mould into the basin and scoop up some of the pulp. Gently shake the mould back and forth to get an even layer of fibres on the screen. When the water has drained through, place the mould to one side and carefully lift off the deckle, leaving the just-formed sheet on the screen.

**6** To remove the paper from the screen, lay a clean kitchen cloth on a flat table, then take the screen and lay it face down on the cloth. Soak up any extra water from the back of the screen with a sponge. Very gently lift the screen - the paper should remain on the cloth.

**7** To dry the paper quickly, cover it with another cloth and iron at a medium dry setting. Once dry, pull gently on either side of the cloth to stretch it - this helps loosen the paper from the cloth. Gently peel the paper off.

**8 A CLEAN UP NOTE:** When you've finished, collect the left over pulp in a strainer. Be careful NOT to pour pulp down the drain - it might block it. The strained pulp can be thrown out or kept in a plastic bag in the freezer for the next time.

## Bibliography

- Heller, Jules. *Papermaking*. New York: Watson-Guptill, 1978.
- Hunter, Dard. *Papermaking: the History and Technique of an Ancient Craft*. 2nd ed. New York: A. Knopf, 1947. Reprinted: New York, Dover Publications, 1978.
- Studley, Vance. *The Art and Craft of Handmade Paper*. New York: Van Nostrand Reinhold, 1977.



# Why does U.S. paper carry portrait names?

■ *I notice on all our paper money that the name of the person pictured always appears on the note. Doesn't everyone know Washington's picture?*

Washington, yes, but there are several unfamiliar faces on our notes that would defy identification by the average person. Anyway, it's the law. The statutes provide that the name must appear with the picture. The official ruling is contained in the U.S. Code, Title 31, Section 414.

■ *Was the 1976-dated \$2 note considered to be a commemorative issue?*

The note is a normal issue Federal Reserve Note, and is not designated as a commemorative issue. I believe the matter was discussed, but never acted on.

■ *Somewhere I read that the U.S. Treasury resisted the switch from the Fractional paper money to the small cent, 2-cent, 3-cent and 5-cent coins. Is this correct?*

No less a personage than the Treasurer, F.E. Spinner. He of the unmistakable paper money signature, in his annual report to the president in 1868. Mincing no words, Spinner called the new coins "an almost worthless, irredeemable, poisonous and stinking copper and nickel token currency."

■ *In an old magazine I came across a reference to a "charge coin." What's that supposed to be?*

Charge coins were one of the forerunners of our modern plastic charge cards.

They were tokens issued by department stores in the period right after World War I. The pieces carried the store identification and the customer's name and account number.

■ *Was there any official demonetization of the Confederate currency?*

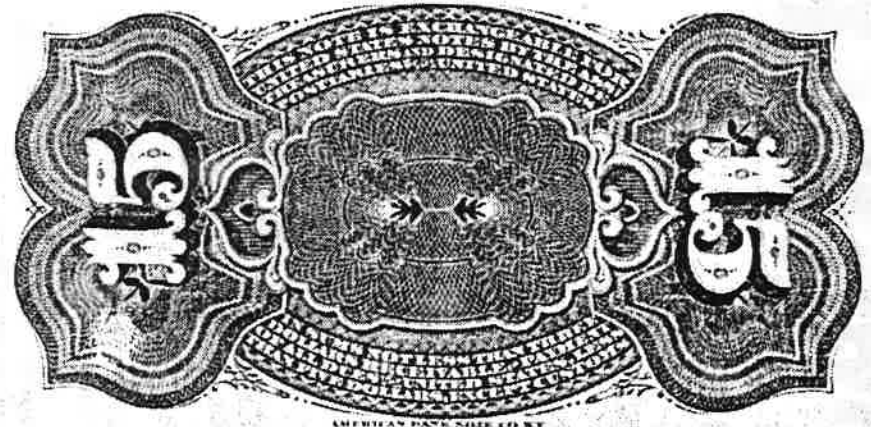
Legally, no, but as always, there is a little more to the story. Much is made of the fact that the United States government has never demonetized any of its paper money. However there is a portion of the 14th Amendment to the U.S. Constitution, which went into effect July 18, 1868, which says, "Neither the U.S. or any state shall assume or pay any debt or obligation incurred in aid of insurrection or rebellion against the U.S." Since paper currency is an obligation of a government, this sealed the fate of the Confederate notes.

■ *Isn't there a common chemical responsible for the many reports of "off color" U.S. notes?*

There are several chemicals that will attack the green ink on a note. Depending on which is involved, the blue portion of the ink will be removed leaving the ink yellow, or the yellow will be removed leaving the ink blue. One of the culprits is peroxide, which will turn the ink yellow. All such color changes are alterations, and have no collector value above the face value of the note.

■ *Will the Treasury still redeem any of the Fractional Currency?*

## BANK NOTE CLINIC



Treasurer F.E. Spinner, whose signature appears above, preferred retention of Fractional Currency to attempting to bring back circulating copper and nickel coinage.

Not any more, although surprisingly the redemption process didn't end until 1962. About \$2 million in unredeemed

notes were supposedly left out of the \$368.7 million issued, but many were lost or destroyed, so that figure is an upper limit.

## Intaglio "Spider" Hand Press

*The following was included in a press release from the Bureau of Engraving and Printing. It is presented here for those who might be unfamiliar with the method employed to print U.S. paper money in the mid-19th century.*

**T**HE Intaglio Hand Press consists essentially of a movable plank or bed between two steel drums. An engraved plate is placed on the bed and inked with a hand roller. The plate surface is carefully wiped off leaving ink in the engraved lines. A paper is placed on the plate and impressed with the engraved design by being drawn between the drums.

This explanation in no way conveys the extreme physical effort and skill needed to operate a hand press. The printer had much to learn from experience how much ink to place on the plate, how much ink to rub off the plate, and how much pressure to exert on the plate using the long radial handles called a "spider."

The engraved plate had to be heated on a small stove and the printer had to vigorously roll the ink onto the plate with a leather or rubber roller. The heat and rolling action caused the ink to penetrate the lines of the engraving. Next, the surplus ink lying on the surface of the plate had to be removed by a brisk rubbing with a piece of starched muslin. In order to clean the plate perfectly, the printer then had to polish it with the palms of his hands. This polishing required skill and judgment, for every trace of ink had to be removed from the surface of the plate without disturbing the ink that lay in the engraved lines. The printer then transferred the plate to the bed of the press, and his assistant laid a dampened sheet of paper on the plate. Grasping the spokes of "spider" in a hand over hand action, the printer forced the bed and plate between the rollers. His assistant removed the sheet and set it aside.

In the year 1876, James Milligan was granted U.S. Patent 180,490 for an "improvement in plate printing presses." Milligan's press incorporated the basic principles of the hand press but used steam for power and for continuous movement of the plates. His invention revolutionized the engraved printing industry.

The Bureau of Engraving and Printing continues to use the "spider" press to pull specimens for proofing purposes and at certain exhibitions held throughout the United States to demonstrate the art and craft of intaglio printing.

**Q** I recently bought an 1816 cent, red uncirculated, in a paper envelope that was marked "From Henry Chapman, 1916." I have heard the Chapman name mentioned, but I'm not familiar with it as I had no reason to know anything about it until now. Can you tell me who Henry Chapman was?—H.H.C.

**A** Henry Chapman, born in Philadelphia in 1859, became interested in numismatics at an early age, and in 1876 became, with his brother S. Hudson (born in 1857), an employee in the Philadelphia coin shop of Captain John W. Haseltine. While there, the young Chapman brothers learned much about coins and had a chance to meet firsthand a number of mint officials, apparently including some with whom Haseltine was conducting business on the sly.

In June 1878 the Chapman brothers hung out their own shingle, trading in numismatics and antiquities. In those days it was unusual for a coin firm to deal in numismatic specimens alone. Coin prices were low, and to help meet expenses most dealers had many disciplines, including stamps, fossils, autographs and manuscripts, and even birds' eggs. The Chapmans were no exception. Aggressive businessmen from the start, the Chapmans pioneered the production of auction catalogues which were a step above those of the competition, with the first number, for a sale held on October 9, 1879, illustrated with photographic plates—a highly unusual situation for the era. Jealousies were rampant in the coin trade, and as the Chapmans went from one accomplishment to another, professional animosity against them increased, reaching a peak in 1882 when the Chapmans snagged the Charles I. Bushnell Collection for auction, using it as a platform for detailed descriptions (replete with editorial comments, many of which were accurate, but some of which were notoriously not so), and a special deluxe edition with photographic plates offered for \$50—which in 1993 terms would prob-

ably be like offering one for \$250.

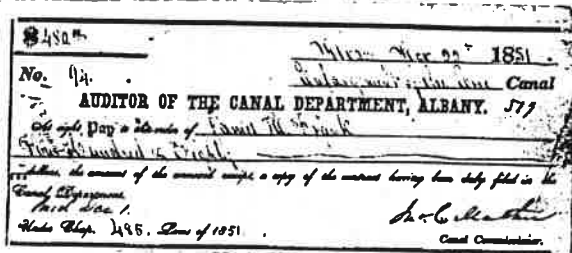
The more that the competition railed against them—one dealer actually printed on a monograph pointing out all the flaws in the Chapmans' cataloguing—the more successful the Chapmans became. While dealers may have disliked them, collectors felt just the opposite—and collectors were the bread and butter of their business. The brothers' success increased, and by 1906 they were both grand masters of the coin trade, having been in it for over 30 years and having seen many of their competitors' pass away or retire. Apparently, the world was not ideal, for in this year the partnership broke up, after which Henry and S. Hudson went their separate ways, each to conduct their own illustrious sales. In his book, *United States Numismatic Literature, Volume I* (which you should borrow from the ANA Library or buy if you want to learn even more about the Chapman brothers), John Adams tells us that the older brother continued in the trade until retiring in 1929, while Henry kept at coins until his death in 1935.

Henry Chapman, of whom you wrote, was the better known of the two in the retail trade, and maintained an in-depth stock of United States coins in particular, but with many world coins as well (while S. Hudson Chapman preferred to stick mainly to auctions). In 1907 when the MCMVII High Relief double eagle came on the scene, Henry Chapman stocked them and provided them to his customers. Ditto for the new 1916 Standing Liberty quarter in its day. In 1921 he went to the nearby Mint and bought 10 mirrorlike Proof Morgan dollars of that date, possibly constituting all that were ever struck with mirror finish. Several years after the death of Virgil M. Brand in 1926, Henry Chapman and St. Louis dealer B.G. Johnson were commissioned to inventory the Brand Estate, which largely occupied Chapman until his death. In the 1980s when we handled many coins from the Brand Estate for the Morgan Guaranty Trust Company and the heirs of Jane Brand Allen (daughter of Armin Brand, brother of Horace, one of two beneficiaries of the Brand Estate), the coins came in paper envelopes bearing many notations by Henry Chapman.

Your 1816 large cent was undoubtedly store stock sold by Chapman in 1916, at which time a dollar bill would buy several of this date!

Rare Coin Review No. 93

\* \* \*



**FRANCIS E. SPINNER**  
Payment for enlarging the Erie Canal

• 67

1851, Partly-printed pay order to James H. Frank drawn on the account of the Auditor of the Canal Department, Albany New York for enlargement of the Erie Canal. Signed on verso by FRANCIS E. SPINNER (1802 - 1890). Treasurer of the United States. Spinner is best known for his service as Treasurer of the U.S. during the Civil War, during which time he skillfully managed the government's huge expenditures. He is credited with bringing women into the civil service. Very ornate and distinctive American autograph. Uncancelled and Extremely Fine.

\$75 - 100



**FRANCIS E. SPINNER**

• 137

Partly-printed bank check drawn on the Mohawk Valley Bank, Mohawk, NY, dated June 13, 1848, in the amount of \$10.00. Vignette of a standing George Washington at left, Indian in canoe bottom center. Black on light blue paper. Accomplished in secretarial hand and signed by FRANCIS E. SPINNER (1802 - 1890). Treasurer of the United States. Spinner is best known for his service as Treasurer of the U.S. during the Civil War, during which time he skillfully managed the government's huge expenditures. He is credited with bringing women into the civil service. Very ornate and distinctive American autograph. Pen and cut cancellations lightly affect Spinner's signature. Very Fine.

\$90 - 12

**SCOTT J. WINSLOW ASSOCIATES, INC.**  
PO BOX 10240  
BEDFORD, NEW HAMPSHIRE 03110 (USA)





*Francis E. Spinner*  
Treasurer U. S.

A distinctive signature was not the only thing that distinguished Francis E. Spinner as Treasurer of the United States. He moved a cot into his office and slept there as a theft prevention measure.

# Aunt Sophie thwarts great Treasury theft

By Brent Hughes

Military battles captured the headlines during the Civil War, but quieter dramas were also being played out in the civilian sector. Sophia Holmes was a \$15-a-month charwoman at the U.S. Treasury building on Pennsylvania Avenue in Washington, D.C. One night she discovered a strange box containing \$200,000 in new currency near one of the exits. By staying in the room until help arrived, she apparently kept the thief from taking the box out of the building.

Her reward was an official commendation from President Lincoln and an executive appointment as janitress at \$660 a year, a handsome salary in those days. She was the first black woman ever officially appointed to U.S. government service.

Sophia's good deed came at a time when the federal establishment was in chaos. Lincoln had taken office as leader of a splintered nation. When the Civil War began, the government found itself unprepared to pay the enormous costs of the war effort and officials and Congress wrestled with various plans to raise the necessary funds.

Lincoln chose Salmon P. Chase as secretary of the Treasury and he in turn selected Francis Spinner as treasurer. At a time when Washington was infested with political hacks, Spinner was a notable exception. He brought intelligence and great energy to his new post and set out immediately to reorganize his office.

Coins disappeared as inflation made

their metallic content worth more than face value. The nation was awash in millions of questionable private bank notes and thousands of counterfeits. The previous decades had been the era of private banking in which each institution could issue its own currency, most of it purchased from giant bank note printing companies based in New York City.

These companies employed the finest engravers and printers and turned out the beautiful bank notes so avidly sought by today's collectors. Since their products were high-profit items, the companies were able to make huge campaign contributions to congressmen who were willing to look after their interests in Washington.

Secretary Chase asked for new taxes, the sale of bonds and, for the first time in history, authorization for the U.S. government to issue its own paper money. The New York companies welcomed the plan because they saw big profits in government contracts. At Spinner's suggestion they agreed to a security system that placed government inspectors in their plants and armed agents on the trains taking the printed sheets to Washington. The sheets would be stored in Treasury vaults until the notes were cut apart and issued. The system was awkward and expensive, but Spinner's biggest worry was the potential for theft.

The first U.S. currency was printed and shipped to Washington, followed by

## Hughes/from Page 18

the bank note companies payment invoices. Spinner was a frugal man who carefully examined all such invoices before he authorized payment and he was appalled at what he felt were exorbitant charges by the bank note companies.

He called in his assistants and asked them to make some quiet cost studies. With his analyses in hand, he went to Chase with the recommendation that the Treasury Department set up what would eventually become the Bureau of Engraving and Printing, the government's "money factory." Chase listened and told Spinner to proceed.

Needless to say, when the New York companies heard of this plan, they demanded that their congressmen destroy this threat to their existence. Speech after speech was made in which dire predictions were publicized, but Spinner had been a politician and was ready for the battle. He presented cost figures that showed that the government could save millions by doing its own printing under tighter security.

Spinner's assistants set up a printing plant and offered jobs to those New York engravers and printers who were willing to transfer to Washington. In a few months, the first sheets of currency came off the presses and the Treasury gradually brought some order to the nation's new paper money supply. To relieve the severe shortage of coins, Spinner designed and printed Fractional Currency, paper money in denominations of less than a dollar.

The bank note companies and their supporters on Capitol Hill did not surrender easily. Informants inside the agency passed on every rumor of prob-

lems, especially those involving women employees that Spinner had introduced into the workplace. The rumors were groundless, but Spinner spent a lot of time refuting them. His main concern, however, was protecting the millions of dollars in his vaults from theft.

This fear finally led him to install a cot in his office and to spend the nights there. He would get up several times and walk the dark corridors checking the locks on the vaults. The only employees Spinner encountered on his nocturnal rounds were the cleaning ladies whom he soon got to know by name.

Since these women came to work after the offices had closed for the day, they seldom met other officials, but Spinner was always there. They addressed him as "General" in deference to his rank in the New York State Guard. A bond of mutual trust developed and as the ladies told their friends about their boss, the local newspapers gave Spinner the affectionate title of "Watch Dog of the Treasury".

One night in his darkened building, Spinner met Sophia Holmes who told him her life story. There was a large slave population in the District of Columbia, most working in the homes of wealthy residents. Sophia was a free woman, but she had married a slave. When his master tried to sell him to be shipped out of Washington, a famous abolitionist named Col. Seaton bought him for \$1,000 and allowed Sophia and her husband to repay him on a monthly basis.

The couple worked hard and had paid back \$600 when the Civil War began. The Union Army promptly drafted Sophia's husband, gave him a few days of training and sent him into battle at Manassas. He was killed in that fight and Sophia was left with two small chil-



Collectors avidly seek notes such as these Fractional Currency examples that carry F.E. Spinner's signature.



dren to support. Someone called her plight to the attention of some sympathetic congressmen who helped her get the job at Treasury in Spinner's new Division of Issue.

On Oct. 10, 1862, Sophia was cleaning Room 2124, which was near the Pennsylvania Avenue door. Just inside the room, behind a chair, she discovered a small box that had not been there the night before. She raised the lid and saw packs of new greenbacks.

She moved the box away from the door and wondered what she should do. No one else was around, but Sophia decided that the thief would probably not come back as long as she stayed in the room. She turned up the kerosene lamps and sang softly to calm her nerves. Surely the General would come along soon and tell her what to do.

It was 2 a.m. when Sophia heard Spinner shuffling down the corridor in his night robe and slippers. She peeked out and recognized her friend in the light of his candle.

"General, General, come here, sir, come here", she cried. The startled treasurer approached cautiously. Sophia opened the box, pointed to the money and slumped into a chair. Spinner made her comfortable and sounded the alarm. Night watchmen came running and were sent to awaken Spinner's assistants in their nearby homes.

In the bedlam that followed, Spinner secured the doors and examined the box. It contained \$200,000, ready to

## Hughes/from Page 20

spend. In today's market, it would be the equivalent of about \$3 million. Someone had almost pulled off a massive theft of government funds. An intensive investigation was begun in which every possible suspect was questioned.

Word of the near-theft spread quickly and the New York congressmen pounced on the opportunity. This proved, they raved, that the bank note companies in their districts could do a better job and the government should get out of the currency business. Their speeches lost steam when local newspaper editors pointed out that the good "Watch Dog", with a large assist from Sophia, had prevented the theft and the government had not suffered a loss. The public already loved Spinner and the story of Sophia's honesty struck a responsive chord. The congressmen quieted down and the crisis was over.

A congressional committee also investigated the incident, but no one ever explained how so much money could have been removed from a vault, taken to another floor and almost out the door. The culprit was never found, but the event brought about drastic security measures to protect newly printed currency that are still in effect today.

Sophia became affectionately known around Treasury as "Aunt Sophie." With her commendation from Lincoln and her friendship with Spinner, she became something of a celebrity in the department. She stayed on for another 38 years and passed away on Oct. 10, 1900, the 38th anniversary of the day she found the "treasure chest" in Room 2124.

## Sources:

*\*Excerpts from the History of the United States Secret Service, 1865-1975.* Treasury Department, Washington, D.C.

*\*History of the Bureau of Engraving and Printing, 1862-1962.* Centennial Edition by the BEP staff, Government Printing Office, Washington, D.C.

**Editor's note:** This is a revised and rewritten version of a popular story. The author's first account of the Aunt Sophie story won the 1984 literary award of the South Carolina Numismatic Association. It was reprinted in the April 1985 issue of *The Numismatist*, official publication of the American Numismatic Association.



## Development of the Spinner Signature

By BRENT H. HUGHES

SPMC #7

**T**HE world of numismatics has had its share of characters and personalities over the years, all of whom left their mark of one kind or another. Among paper money collectors one individual stands out in both the charm of his personality and the distinction of his signature. He is fondly remembered today as "the father of fractional currency," the man who delighted in closing his many letters with "your obedient servant, F. E. Spinner."

His famous signature has fascinated people for over a century. It symbolizes the spirit of a time when the schoolmarm insisted upon strict attention to the teaching of "readin', writin' and 'rithmetic," when the graceful curves of Spencerian script were seen on every blackboard, and every businessman expected every employee to write a "good hand." As a result, today's collector finds in every box of old documents a wealth of beautiful handwriting with signatures rendered with a flourish rarely encountered in the modern business world.

But even among his contemporaries, Francis Spinner's signature stood out. So unique was his autograph that two reporters from *Scribner's Monthly* in 1873 delighted in watching him sign his name with his unusual pen, which they described as "of peculiar construction, and has three points, . . . the ink used has the thickness and consistency of mud and the blackness of Egyptian darkness, and is piled up on the paper to a height of which we would be incredulous had we never seen it, and which, having been seen, renders us more ink-credulous (sic) still."

The female member of the reporter team had examined Spinner's portrait on the third issue fifty-cent fractional currency note and found that it did not do him justice. She stated, "There is an expression of honesty and openness of nature about his homely features, and a twinkle of humor in the eye, which the artist has failed to reproduce, and which render the face, like Lincoln's fine and genial, and far from unpleasing. A grizzly mustache, cut unreasonably short at the corners of the month, does not help to supply the lack of beauty in the features. The wide, determined mouth, and the square, heavy chin, suggest the irreverent idea that personal appearance, no less than watchful care, of the nation's treasure, have led to the bestowal of the sobriquet of 'Watchdog of the Treasury' by which the faithful Treasurer is so, well known."

### Development of the Man

A study of the famous autograph shows that it developed, even as yours and mine, over a period of years with many variations. To trace this development, some biographical material is in order.

Francis Elias Spinner was born on January 21, 1802, the first-born of John Peter Spinner and Mary Magdalene Bruement Spinner. The year before his birth, his



Photographic enlargement of the engraved portrait of Francis E. Spinner used on the Third Issue 50c fractional currency note (Friedberg 1324 through 1338). It is this portrait that many modern writers mistakenly view as illegally used since Spinner was living at the time the note appeared. The law banning such use stated, "... no portrait or likeness of any living person hereafter engraved, shall be placed upon any of the bonds, securities, notes, Fractional or Postal Currency of the United States." The key words are "hereafter engraved"; since this act was dated April 7, 1866, any note engraved prior to that date could be legally issued. The Third General Issue was provided by the Act of June 30, 1864 with notes being issued from December 5, 1864 to August 16, 1869. Thus the statement that the portrait of Spencer M. Clark on the 5c note, William Pitt Fessenden on the 25c note, and Spinner on the 50c note were used illegally is incorrect.

parents had emigrated from Baden, Germany where his father had been a Catholic priest before embracing Protestantism and marrying. In this country his father became pastor at the old Fort Herkimer Church at German Flats (later Mohawk) in New York state. He was to remain at this church for the next 40 years.

As was the custom at the time, young Francis was apprenticed, first to a candy maker in Albany and later to a saddler in Amsterdam, N. Y. At age 29, Francis returned to Herkimer where he opened a small store. Two years later, he married Caroline Caswell. Somehow he became interested in the military and took an active part in the State Militia, which was climaxed in 1834 when he achieved the rank of Major General of

## DEVELOPMENT OF THE SPINNER SIGNATURE 1825-1890

1825 - Age 23.

1826 - 1st. Lt., State Militia

1831 - Deputy Sheriff

1832 - Col., State Militia

1836 - Sheriff

1838 - Hospital Fund Raiser

1839 - Bank Document

1845 - Cashier, Mohawk Bank

1846 - Cashier, Mohawk Bank

1847 - Cashier, Mohawk Bank

1848 - Cashier, Mohawk Bank

1855 - Cashier, Mohawk Bank

1859 - President, Mohawk Bank

1860 - Member of Congress

1865 - U. S. Treasurer

Treasury of the United States.

OFFICIAL BUSINESS.

1865 - Written frank on envelope

1866 - U. S. Treasurer

1866 - Treasury document

1869 - U. S. Treasurer

1869 - Personal letter

1869 - Printed Signature as U. S. Treasurer

1872 - U. S. Treasurer

1876 - Retired, age 83

1887 - Age 85.

1889 - age 87.

1890 - Age 88, six weeks before his death.

the Third Artillery Division. Two signatures from documents signed during his military career have survived and are illustrated in our chart. It was in his military work that Spinner first demonstrated the organizational abilities that would serve him well in later years. He was tireless in his efforts to bring industry to his town, and the development of the Mohawk Valley was due largely to his influence.

As a young man he was appointed Deputy Sheriff and later was elected Sheriff of Herkimer County. In this office he became involved in some kind of incident in which his signature was forged, one possibility being the fraudulent release of a prisoner. One old record states that as a result of this incident Spinner "perfected" his signature to make it more difficult "for counterfeiters." This apparently consisted of adding flourishes and broad



Photograph of engraved portrait of Francis E. Spinner, Treasurer of the U. S., 1861-1875.

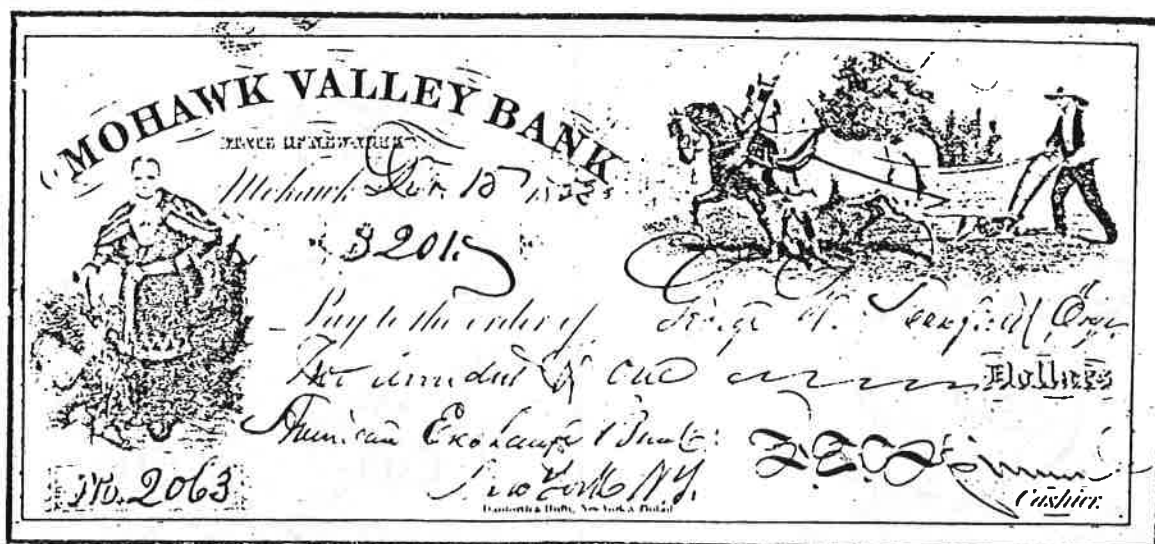


U. S. Fractional Currency varieties showing two printed signatures of Spinner. Minor variations are present, but the general configuration is more or less standardized.

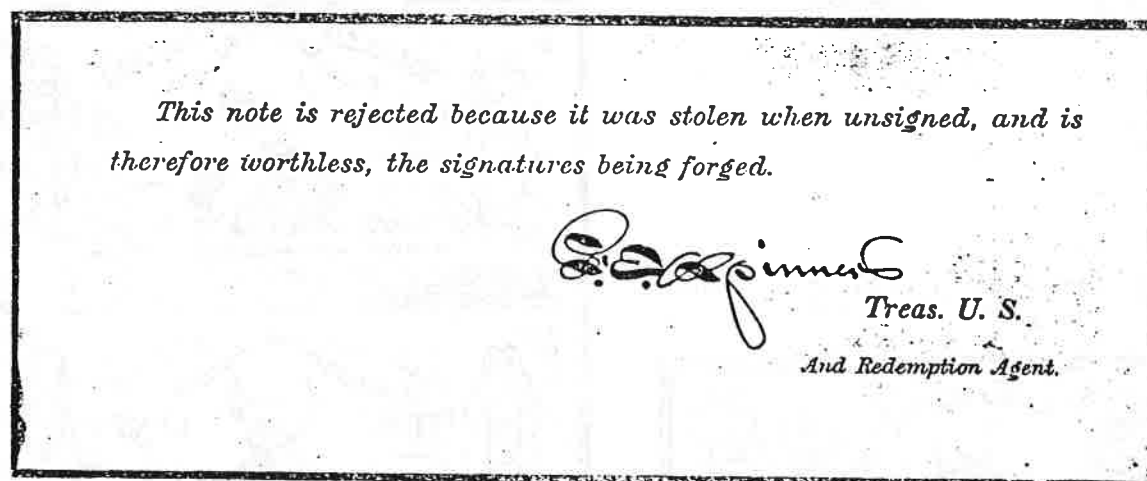


U. S. Fractional Currency varieties showing autographs of Spinner. Such notes were personally signed by the Register and Treasurer for presentation to Congressmen and other dignitaries.

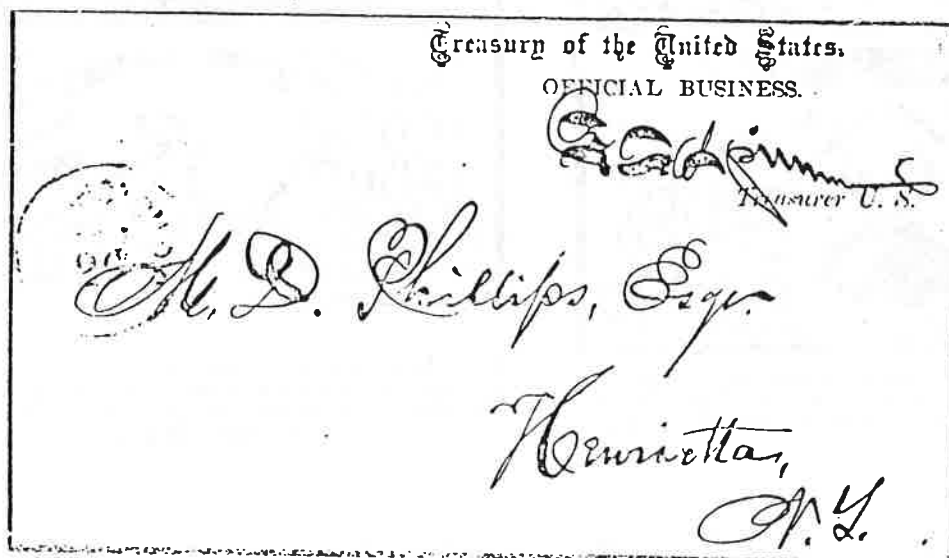
Photograph of Treasury Department official envelope bearing handwritten frank of F. E. Spinner, Treasurer, addressed to M. D. Phillips, Esqr., Henrietta, N. Y.



Check of the Mohawk Valley Bank, Mohawk, New York, 1853, bearing signature of F. E. Spinner as cashier.



Photograph of printed Treasury Department form advising citizen that a note submitted for redemption was worthless. Note the short concise language used, a feature missing from so many government form today.





Treasury of the United States:  
Washington, March 5, 1869.

Dear Sir:—

In response to your note of the 3<sup>rd</sup> instant, I would answer that country where every citizen is the political peer of every other citizen. The adoption of the 15<sup>th</sup> article of the Constitution will go a long way in the right direction.

John N. Scouller Esq.  
Philadelphia,  
Pa.

Very respectfully yours  
E. F. Spinner

Photograph of letter entirely hand-written by E. F. Spinner: "Treasury of the United States, Washington, March 5, 1869. Dear Sir:—In response to your note of the 3<sup>rd</sup> instant I would answer that country where every citizen is the political peer of every other citizen—the adoption of the 15<sup>th</sup> article of the Constitution will go a long way in the right direction. Very respectfully yours, F. E. Spinner. John N. Scouller, Esq., Philadelphia, Pa." The 15<sup>th</sup> Amendment referred to deals with the right to vote by any U. S. citizen regardless of race, color, or previous condition of servitude.

strokes to the capital letters. Hours of practice are necessary to consistently achieve a smooth flow with the pen point needed for such strokes, and Spinner became an expert.

In 1839, Spinner joined some other local businessmen in founding the Mohawk Valley Bank, an institution which he served for the next 16 years as cashier, director and finally president. During this time his signature acquired a certain uniformity, and we are fortunate that many checks signed by Spinner still survive today. In fact, most collectors of checks today regard the Spinner item as a most interesting part of their treasures.

Inevitably Spinner moved toward national politics and service in Washington. In 1854, he was elected to Congress as a Free-Soil Democrat, a party which had been formed in 1848 in a dispute over slavery in the newly-formed states. The Free-Soilers and Northern Whigs formed the nucleus of the Republican Party when it was established in 1854. Spinner was re-elected twice but declined the nomination in 1860, apparently intending to return to his beloved bank.

Salmon P. Chase, Lincoln's Secretary of the Treasury, had other plans for Spinner, however, and on March 4, 1861, he was appointed Treasurer of the United

Treasury of the United States,

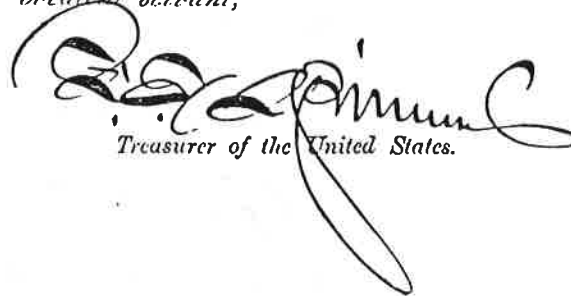
*Apr 11<sup>th</sup> - 1866.*

Sir:

Enclosed you will receive \_\_\_\_\_ Treasury Draft payable to your order. Please date and sign the accompanying receipt, and return it to this office by an early mail; and cause the draft to be presented for payment without delay.

Very respectfully,

Your obedient servant,



Treasurer of the United States.



N. B.—The payee of a Treasury draft, when he endorses it, or, presenting it for payment, receipts it, should write his name thereon as it is written in the draft or in the endorsement that assigns it to him, taking care to AFFIX his official or representative style or title, if it be written in the draft or in said endorsement. An endorsement by a MARK should be attested by two subscribing witnesses; if by a substitute, it must be accompanied by evidence of substitution, except in the case of president or cashier of a bank or other institution.

Photograph of a cover letter bearing hand-written signature of Francis E. Spinner. The letter asks the payee to sign and return a receipt for the enclosed check, and to cash it without delay. Note that Spinner felt inclined to fill all the available space with a large, exuberant signature.

States. The famous autograph would soon be known all over the world, for the approaching Civil War meant that the U. S. Government would be forced for the first time to issue paper money. Spinner's signature would appear on the first issues and on a multitude of Treasury Department documents.

Spinner faced great difficulties in operating the Treasurer's office during the war. His staff was continually depleted by the military draft. He solved the problem in a novel fashion—he hired women. This immediately brought on a political flap in Congress where all kinds of charges were voiced that these women engaged in

"immoral activities" while on duty, especially on the night shift. Throughout the turmoil Spinner staunchly defended his employees and eventually the so-called scandal died out. In his annual report for 1864, the Treasurer paid his "Treasury girls" a great compliment: "But for the employment of females, whose compensation is low, and in most cases too low, it would have been impossible to have carried on the business of the office with the compensation allowed." His continual battle for better wages and working conditions for his staff brought him great respect, and his obvious ability kept him in office until 1875.

Jacksonville, Fla., May 26, 1876.  
Dear Sir:

Your letter, of the 20th instant,  
by you directed to my address  
at Utica, was from there forwarded  
to my home at Mohawk,  
and from there to me here, where  
I spend my winters. —

The request therein preferred  
has been complied with.

Very respectfully yours,  
Mr. Louis R. Mengh, (F. E. Spinner)  
Newark, N. J.

Photograph of letter entirely hand-written by F. E. Spinner: "Jacksonville, Fla., May 26, 1876. Dear Sir: Your letter of the 20th instant, by you directed to my address at Utica, was from there forwarded to my home at Mohawk, and from there to me here, where I spend my winters.—The request therein preferred has been complied with. Very respectfully yours, F. E. Spinner. Mr. Louis R. Mengh, Newark, N. J."

The Spinner signature underwent minor changes, primarily in the large flourishes, to fit it to currency design limitations. He continued to sign many documents at the Treasury and the signature became more or less standardized. To the end of his career in Washington he took time to personally greet visitors and willingly signed a variety of items that were offered. If Spinner were living today, most commentators would probably say that he had "charisma," the personal magnetism that great men have that separates them from the usual run of mankind.

Upon retirement he moved to Florida where he remained active for another 15 years. As he aged, the famous autograph became more and more erratic, finally becoming almost illegible just before his death. Cut down by cancer, he passed away on December 31, 1890 at the home of his daughter, Mrs. James Schumacher, wife of the president of the First National Bank of Jacksonville. His unique signature lives on, as fascinating today as it was a century ago.

The chart shown herein is based on one compiled by Herman K. Crofoot, an early collector of Spinner material, with additions from the author's collection. Much of the Crofoot collection is now housed at the Smithsonian Institution, but enough other Spinner documents are still available even today to make the search interesting.

### First National in Dakota

(From Page 232)

"Let us climb the great granite steps and enter its marble palaces of gold and greenbacks. First we will try to find our way to the office of the comptroller of the currency, to ascertain what he can do for us in the way of starting a national bank in Dakota. We pass between marble pillars standing as thick and large as forest trees, until we find at the entrance a one-legged messenger who points us up a broad, gas-lighted and steam heated hall, as long as a whole block of lots in Yankton. We pass on, witnessing scores of clerks at work in the long line of rooms that open upon either hand, until we reach the other end. Here we inquire of another messenger, one-armed this time, who directs us up the iron stairs to the next floor, and here we are met by a little old Irishman, with an eye shot out by a rebel bullet, who points us down another long passage, to the comptroller's room. On we go, passing, as before, hundreds of clerks busily engaged in the rooms that open to the right and left. We find the comptroller attentively engaged signing his name to papers and a female clerk beside him 'blotting' his signatures, and withdrawing the manuscripts.

"He turns to us for a moment, and says that he has awarded to Dakota \$100,000 of the national currency, but that the parties whom he had authorized last summer to subscribe for the bank stock have thus far failed to deposit the required security before the issue of notes can be authorized. We then filed the application of forty merchants of Yankton, who agree to deposit the bonds in thirty days, if a charter be given them for the First National Bank of Dakota. He takes the paper, reads it and requests us to call to-morrow. We bow and retire, and walk down the long aisle past the multitude of rooms where are flying the lightning fingers and flexible tongues of five hundred female clerks who are counting, cutting, trimming, packing and making, bright, new, laughing greenbacks. If a man can ever believe with Shakespeare, the 'money is worthless trash,' he will believe it here, where the stuff is handled and packed by young girls as freely and abundantly as new mown hay. But we must begin to get out of this great cave of the national finances. There are too many ladies and greenbacks here for the safety of a Western man, so we begin to descend again the heavy iron stairways to the marble gold rooms, where we witness a number of male clerks standing and counting, by the wagon load, filthy lucre, with a rapidity truly astonishing. . . ."

(Concluded on Page 247)

# A Collector's View of College Currency

OBSOLETE CURRENCY

A paper money scholar finds numismatic interest in the hallowed halls of turn-of-the-century business schools.

"I'M WORKING ON a book about college currency, can you help?" "Sure!" I answered. But I was thinking, "What the heck is college currency?" The question was posed by Neil Shafer, paper money maven and long-time friend. I certainly had no idea where he was leading me! In the two years that followed, I was almost totally immersed in the wonderful, sometimes confusing, and little-known world of college currency.

Sometime during the early 19th century, an unnamed entrepreneur recognized a need for schools to train young people in the ways of business. This person opened a private school and started a movement. (Remember, this was before the invention of the typewriter, much less the microcomputer and word processor!)

Accounting was a common part of the curriculum, as you would expect, but so was penmanship. This was not just an incidental topic, either. In the 1883 catalog issued by Eastman Business College in Poughkeepsie, New York, penmanship was described as the "queen of the arts" and Professor Eastman is said to have "done more to improve the standard of handwriting than any other man in the nation."

The same catalog contains a detailed description of the penmanship curriculum, including the new "Special Department of Penmanship," and several pages of sample exercises. While we smile at the apparent simplicity of the matter, we must also recognize the beauty of the samples!

In later years, telegraphy and phonography became part of the curriculum at many schools. Descriptions of both subject areas are found in the 1883 Eastman catalog, including a particularly interesting excerpt about how young women were solicited for the telegraphy department, yet all other aspects of the college were intended specifically for "boys, young and middle-aged men." This exclusion of women was not universal (a few schools seemed to cater to women), but it was the overwhelming philosophy of the majority.

The most important part of the curriculum, from a numismatic point

by Fred Schwab  
LM 1584



The Eastman National Business College in Poughkeepsie, New York, was one of the largest and most successful training institutions of its time.



Advertisements such as this one for Sadler's Bryant & Stratton College of Business and Stenography, promised students a complete education.

SOME OF THE notes are extraordinarily beautiful, featuring original vignettes (often of school founders or principals) and multiple colors.

of view, was the handling of money. At the heart of the Eastman training system, and that of most other major schools, was a business community within the school where the students performed all the functions of commerce. Students played the roles of retail clerks and bank tellers. They also served as accountants, loan officers, bank presidents and merchants. Inevitably, the students needed to handle cash to perform these tasks.

It was for this reason that schools created their own money, which is found in many types and styles and described collectively in the Eastman catalog as "bank bills and fractional currency." It is called "college currency" by the small but growing group of collectors who specialize in this category of obsolete money.

For larger schools especially, the college currency was prepared by the same engravers and lithographers who printed actual bank notes for common circulation. Some of the notes are extraordinarily beautiful, featuring original vignettes (often of school founders or principals) and multiple colors. Others are of much lesser quality.

The following quaint description is taken from a mid-1800s advertising flyer for the Jennings Business College. The institution was located at the corner of Union and Summer Streets in Nashville, but little else is known about it. This brief text offers some insight on operations of schools of the time and the use of college currency in particular.

A number of students of this school have reached a proficiency in this art, which is highly creditable, as may be seen from the following:

As an exercise, a package of \$500 is given the student to count, and at the same time a stop watch is held to get the number of seconds it takes him to finish the job. The package consists of 49 bills made up of \$100 in fives, \$100 in tens, \$100 in twenties, and \$200 in fifties. The time required to count this package ranged all the way from 30 down to 9.5 seconds.

By the time of the Civil War, private business colleges were common, and training money was used at most of them. Explains Neil Shafer, "It



"IT WOULD HAVE been easy for these pieces to slip into almost total oblivion were it not for the efforts of several pioneer collectors and researchers."

would have been easy for these pieces to slip into almost total oblivion were it not for the efforts of several pioneer collectors and researchers. The first of these was John A. Muscalus. He did some remarkable and extensive research on many facets of paper money, publishing his studies in pamphlet form over a span of about 40 years! He chose early business college bank notes as the subject for his 1942 report of the same name. The work listed and described 164 pieces from approximately 50 issuing institutions and organizations. He followed this with another publication in 1946, *Paper Money of Early Educational Institutions and Organizations*, which greatly expanded the scope of his earlier pursuits."

#### Eastman Business College

Harvey G. Eastman was born in upstate New York in 1832 and in 1850 attended a business school run by his uncle. He opened his own business school in Oswego during 1856, but it operated only about two years. In 1858 he went to St. Louis, where he began one of the largest business schools in that part of the country. It failed because he allowed his abolitionist sentiment to be known.

Returning to the East, he settled in Poughkeepsie and began teaching bookkeeping to several students in a rented room. From that modest beginning, his success was truly phenomenal. His teaching talent, combined with a great deal of advertising, brought him a steady stream of students. Six years after Eastman began teaching, his school grounds encompassed a number of former churches and commercial structures. By then, enrollment had exceeded 2,000 students.

Eastman's educational philosophy could be summarized as "learn by doing." This philosophy is very much in keeping with the most advanced theories of the 1990s! Furthermore, Eastman scorned "traditional" lectures and courses without practical value.

No other business college can come close to the complex and widely divergent notes Eastman issued. As the school expanded, offices in Rochester, Atlanta, New York City and Chicago produced distinctive training scrip as well.

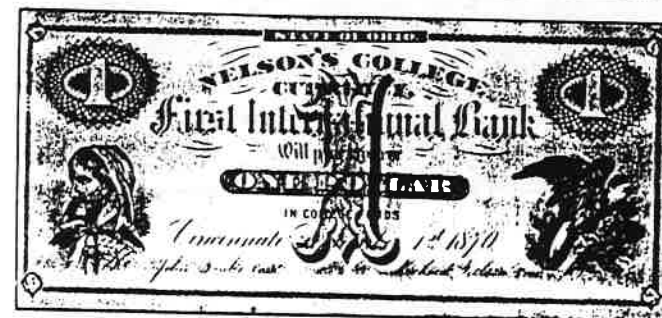
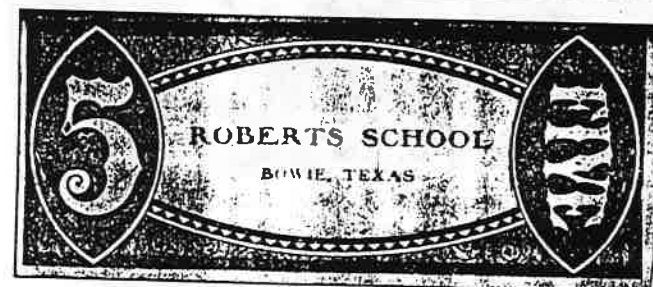
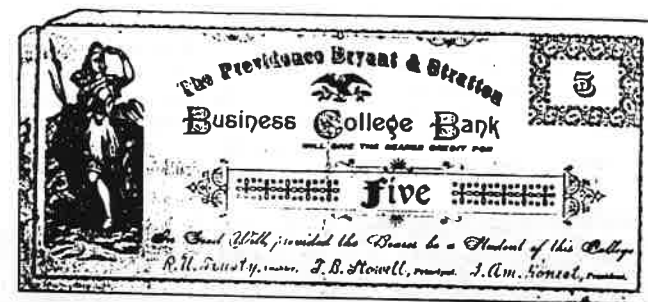
Eastman was a public man, and he loved Poughkeepsie. His writings extoll its virtues, and he served three terms as mayor. He died on July 13, 1878 at the age of 45.

The school continued operations under new leadership until the Great Depression, when the Poughkeepsie office closed. The New York branch remained in use until 1963.



A 1-cent note issued by Eastman Business College.

Business colleges sprang up in every major city in the country, and each had its own unique style of currency.



Now we have a new book about college currency—the one that Neil Shafer mentioned at the beginning of my own odyssey. The book, *College Currency. Money for Business Training*, written by Herb and Martha Schingoethe and edited by Neil Shafer, brings together more information than I could have imagined when we started the project.

College notes can be found in just about every imaginable configuration, style, denomination and quality. Common denominations were \$1, \$2, \$5, \$10, \$20, \$50 and \$100. Higher denominations to \$100,000 are

## Bryant and Stratton Business Institute

In 1852, H. B. Bryant and his brother-in-law, H. D. Stratton, organized Bryant and Stratton Mercantile College in Cleveland, Ohio. Two years later, Bryant's brother J. C. founded the Bryant and Stratton College in Buffalo, New York. These were the first in a long series of business colleges established by the three men.

As a private venture, the school strove for solvency by closely monitoring the changing needs of society and remaining flexible enough to meet those needs. Its programs were specialized and intense, and capable managers and teachers were avidly sought. Textbooks were even prepared by in-house staffs.

In 1856, a Chicago branch was opened with H. Parker at the helm. Robert Spencer (of Spencerian Penmanship) soon took over, and Parker went to New York City to assist in the establishment and management of that new facility. Additional schools were opened in Albany and Detroit in 1857, and in Boston in 1859. An existing school in St. Louis also was sold to the Bryant and Stratton chain in 1859.

The founders once stated it was their intention to have a business college in every city with a population of 10,000 or more. While they could not attain that goal, they did expand to almost 50 cities. At one time it was claimed that their chain "extended from the Atlantic to the Pacific, and from the St. Lawrence to the Gulf of Mexico."

In 1866 the chain quickly dissolved, due in part to the death of Stratton, the economic downturn at the end of the Civil War and a feeling on the part of the Bryant brothers that the organization was too unwieldy for them to handle effectively. The schools became largely independent and the Bryant chain gave way to a new organization, the National Union of Business Colleges. By 1878, only the Buffalo and Chicago schools retained the Bryant and Stratton name.

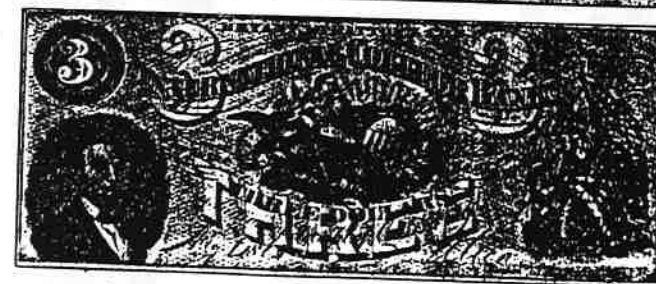
Besides several New York State locations, Bryant and Stratton maintains institutions in places like San Jose, California; Cleveland, Ohio; and Milwaukee, Wisconsin.

known, and the fractional denominations of 1, 3, 5, 10, 20, 25 and 50 cents are common, as would be expected. More unusual denominations also exist, such as \$3, \$4, \$25 and \$30 notes.

The 1883 Eastman catalog describes the ways college currency was used. The student "is furnished his cash capital, bank checks, note and bill books, day-book and journal, ledger, invoice and sales books, and then commences business operations. He buys and sells merchandise, real estate, stocks, etc., receives and forwards goods to be sold on commission, gets insured, deposits in [a] bank, gives and receives checks, receipts, orders, notes, drafts, bills of exchange, account sales, holds correspondence with different firms through the post office, computes all interest, partnership settlements, averages account sales, and makes all calculations connected with his business transactions. From this he becomes in regular turn a merchant, with one, two, and three partners, and a jobbing and commission merchant."

Students "passing the examinations and completing all the work in this department," were promoted to the senior practical department. There they undertook more elaborate tasks. The offices represented were "the post office, railroad and express, exchange brokers, advertising, insurance and real estate offices, merchants' emporiums [retail stores] and banks. Within the banks the student in turn occupies the position of collection clerk, discount clerk, paying teller, receiving teller, first, second, and third

IN ADDITION TO paper money, these activities generated other items of interest to today's collectors. Checks can be found in a wide assortment of styles and configurations.



While \$20 notes were fairly common, many schools issued notes in such odd denominations as \$3.

book-keeper, and cashier. Each student is held to a strict accountability for neatness, accuracy, and dispatch."

In addition to paper money, these activities generated other items of interest to today's collectors. Checks can be found in a wide assortment of styles and configurations. Some are simple and blank, while others can be found in booklet form. Sometimes all the pertinent data, such as amount and payee, are printed on them. Checks like these were produced in quantity and used in counting and account reconciliation exercises.

In keeping with the realistic quality of the items used at these colleges, some checks even have training revenue stamps affixed! Revenue and postage stamps were necessary so the students would have the experience of purchasing, using and safeguarding them.

In most instances, even denominations of less than \$1 were printed in a paper money format. This would have been reasonable during the Civil War era when United States fractional currency circulated, but this form

was used before and well after that time, obviously because it was much cheaper to produce paper pieces than struck coins.

In some cases, however, college coins were used. Many of them took the form of paper disks, but a few were struck pieces! Because the legends are shorter than those on their paper money counterparts, many times it is not clear if the pieces were intended as training coins or circulating tokens. In either case, they are very interesting.

Advertising tokens also were produced for the schools. Although not considered college currency, they are marvelous numismatic items. A favorite of mine is from the South Bend Business College in Indiana. If presented at the time of enrollment, it was good for \$5 on any full course!

Stock certificates and other fiscal documents also were used in the schools and occasionally are available to collectors. Scholarship awards, which look like stock certificates, are of interest in their own right, but are not nearly as intriguing as the stock certificates themselves, which are much more scarce.

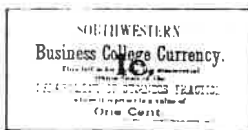
There is one other numismatically related item. The Eastman catalog mentions a medal awarded to certain top graduates. Unfortunately, the medal is not illustrated, nor is any other information available, but some must still exist, just waiting to be found by collectors.

There are several references in the catalog to college currency having "real value." In one instance the value is placed at 1 percent. This aspect of the subject seems to have escaped analysis by current collectors and researchers. It has always been assumed that college currency had no real value at the schools, but the references in the catalog are quite clear, if obscure. Fred Reed is perhaps the greatest enthusiast in researching the Eastman colleges. He proposes an interesting theory that seems to account for all variables.

It is quite likely that rather than giving the training money to students for their exercises, the school sold it to them at the mentioned 1 percent (of face value) rate. This payment would have served several functions. It would have been a kind of deposit on the return of the notes, which certainly were not inexpensive for the school to produce, and possibly motivated the students to keep very close account of the money during their training (the very lesson the school was attempting to teach). It is not stated anywhere, but the theory assumes that students could redeem the currency at the same rate at the end of their instruction. This would be something like playing Monopoly with real money. The theory warrants further study by other collectors and comparison with information about other schools.

To some, it might seem that college currency is a very narrow field. It actually is broad enough to offer something for most collectors. At least a few hundred schools claim more than 500 different issues consisting of several thousand notes.

The Schingoethe/Shaffer book lists issues for 40 states plus the District



Most business colleges printed fractional currency in such common denominations as 1, 3 and 50 cents.



A few schools, such as Eastman Business College, actually struck "coins" from brass and copper-nickel.

of Columbia (the states not listed are Alaska, Arizona, Delaware, Hawaii, Idaho, Nevada, New Mexico, Oklahoma, South Dakota, Washington and Wyoming). Issues probably exist for most of these states, which should make for fun discoveries in the years to come. It might be possible to find college notes from territories as well as states! Indeed, it is all but certain that readers have unlisted issues.

Who collects college currency anyway? Obviously, a few people specialize in this area. Beyond that, those who collect obsolete paper money routinely include college notes in their acquisitions. Usually this means the notes are from a particular state or region. As a Buckeye, I couldn't help but turn to the Ohio section when the Schingoethe/Shaffer book arrived.

I didn't expect to find my hometown listed. Even today we have only 9,000 people in Port Clinton. I didn't expect to find anything from Sandusky (only 15 miles away) in the book either, but there it was. In with Cincinnati, Cleveland and Columbus was Sandusky and many other relatively small towns (Delaware, Geneva, Greenville, Mount Union, Oberlin and others). If I ever find something from the Buckeye Business College bank in Sandusky, I certainly will have to buy it. In fact, it is now on my want list, along with many other unrelated items.

The business college movement was not an exclusively American phenomenon. Canada had many similar schools, and the Bank of Canada has a large collection of Canadian college notes. Collectors on both sides of the border enjoy them. Schingoethe and Shaffer also list college notes for Australia, China, France, Great Britain, Mexico and Indonesia (yes, Indonesia). Many more countries must be involved, presenting a real opportunity for more research.

Interestingly, some of our greatest collectors and ANA members attended these schools. (The source of this information is another new book and a personal favorite, *American Numismatic Biographies* by Pete Smith.) Virgil Brand attended Chicago's Bryant & Stratton Business College. Aubrey Bebee also attended Bryant & Stratton, although the book does not state which campus. Albert A. Grinnell (ANA Life Member 20), the great paper money collector, graduated from the Rochester Business College with high honors, according to his biography published in the B. Max Mehl auction catalog of his collection.

Unfortunately, I have never seen any writings by these gentlemen that even hint at their use of training money at these business colleges. Perhaps in their personal mementos, apart from their numismatic memorabilia, are some scrapbooks with signed souvenir notes attached.

The mention of Grinnell raises one of those interesting little questions that tantalize and sometimes frustrate researchers. Schingoethe and Shaffer do not list a Rochester Business College, but Eastman had a campus in Rochester that issued several types of college currency.

"Today, school currency is not used as it was 100 years ago, but the

"SAMPLE NOTES OF small size were used in 1928 to educate the public about the new style of currency. Examples of these issues are well documented in catalogs today."

concept is far from dead," explains Shafer in *College Currency*. "In some cases, it is only used for play at home, but many math and business teachers still apply the same concepts. The money is seldom distinctive; most often it is purchased from companies that supply learning materials to schools. Therefore, this currency, which is called "generic," is of much less interest to today's collectors, but it is still there. Supplemental materials, such as checks and checkbook registers also are used, and one of the newest innovations is the training credit card!

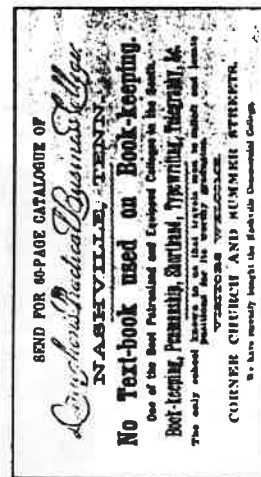
"Just as collectors of yesterday apparently ignored or were not aware of the training money in use at the time, numismatists of today seem to have the same attitude toward the modern issues. It is probable that interesting issues from the lifetimes of many of today's collectors have gone unnoticed. Sample notes of small size were used in 1928 to educate the public about the new style of currency. Examples of these issues are well documented in catalogs today. Schools probably produced their own versions of these as training pieces for their students, but they have not been recorded."

Training money is not only interesting and fun to collect, but it also has almost endless possibilities! I hope you can understand some of my newfound enthusiasm for college currency—a multifaceted field with something for everyone

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*Fred Schwan is a full-time collector and researcher of World War II paper money. The author of several books and hundreds of articles in this area, he is a member of the International Bank Note Society and the Numismatic Literary Guild. Schwan welcomes correspondence from collectors of college currency. Write to him at 132 E. Second St., Port Clinton, OH 43452-1115.*



Draughon's Practical Business College in Nashville, Tennessee, offered instruction in book-keeping, penmanship, shorthand, typing and telegraphy.



# W.S. Rosecrans, The Man Behind the Signature;

William Starke Rosecrans was a popular Union General. The men he led called him "Old Roey." But to his superiors he was a failed leader when it counted, and among some politicians, a despised hothead.

The signature of Rosecrans is a familiar one to collectors of large size U.S. currency, where it appears as Register of the

By Frederick M. Finney

Treasury of the United States on notes signed between June 8, 1885 and June 19, 1893. The signature combinations during this period are Rosecrans-Jordan; Rosecrans-Hyatt; Rosecrans-Huston; Rosecrans-Nebeker; and Rosecrans-Morgan.

Rosecrans was, by vocation and choice, a military man; but circumstance and opportunity made him also become a civil engineer, architect, coal and oil refiner, miner, rancher, politician — and last of all, a civil servant.

The U.S. Civil War, which brought tragedy and sometimes glory to so many during the mid-1860s, was the shaper of Rosecrans' career. Like many who commanded Union and Confederate forces during the war, he perhaps drew responsibility beyond which he had the capabilities and good luck to handle.

Rosecrans was born Sept. 6, 1819, in Ohio, but he is known as a Westerner because of his later business and political careers. He was appointed to West Point and graduated as a 2nd Lieutenant in the Engineers Corps. Graduating fifth in his class, he remained at the Academy from 1843 to 1847, as an assistant professor of engineering.

After his West Point duties he was assigned as superintendent of repairs and in charge of various government surveys and improvements in Massachusetts and New England. Tiring of the army, and its lack of promotional opportunities (and pay) he moved to Cincinnati in 1854. At first he worked as an architect and civil engineer, then went into business, as president of the Coal River Navigation Company in Kanawha County, Virginia (now West Virginia). In 1857 he organized the Preston Coal Oil Company, a manufacturer of kerosene.

When war came, Rosecrans reentered the service as Colonel of the Twenty-Third Regiment, Ohio Volunteer Infantry. He was subsequently commissioned a Brigadier-General in the U.S. Army on May 16, 1861. On March 21, 1862, he was commissioned a Major General of United States Volunteers.

Rosecrans, an intense man with a somewhat "testy disposition" had the admiration of his troops and most of the officers who served under him, but his superiors were not always sure of either his judgment nor tactical ability in the field. Matters came to a head in his performance at Chickamauga in September, 1863.

He had successfully handled the battle of Corinth (Mississippi) and the battle at Stones River (Murfreesboro, Tennessee) as Commander of the Army of the Cumberland. Then came the Tullahoma and Chickamauga campaigns.

Rosecrans was successful in the Tullahoma campaign which was designed to drive Confederate General Braxton Bragg out of his positions in Tennessee, north of Chattanooga. The objective of the Union forces

was to capture the vital communications and transportation hub of middle Tennessee from the Confederates. It was also a vital step in the grand plan preparatory to the invasion of Georgia by General Sherman.

General Bragg fell back to Chattanooga and fortified the town, making it difficult for a frontal assault by the Union Army. From this point on, both sides, under the commands of Bragg and Rosecrans, made questionable tactical decisions based in part on incorrect information, and not helped by weather conditions that reflected badly on their abilities — and in the case of Rosecrans, cost him a field command for the duration of the war.

Rosecrans moved his forces west of the town, in part because he could make use of a rail line to supply his forces. Bragg on the other hand, expected Rosecrans to move the other way because by doing so Rosecrans could join forces with Union General Burnside's forces who were operating in east Tennessee. The immediate consternation back in Washington was that Rosecrans' action was delaying the taking of the city, giving the Rebels time to reinforce and reorganize.

After much successful urging, the Union Command in Washington ordered Rosecrans to advance from the west, and Burnside to advance from the east and gain control of Chattanooga and the Upper Tennessee Valley. Ten days after the order was received Rosecrans issued an order to advance to the Tennessee River. General Burnside was to advance to the river from his positions as he advanced on Knoxville and Kingston. Six days later Rosecrans' forces reached the river, but spent another five days preparing to cross.

Meanwhile, Confederate General Bragg began concentrating his forces around Chattanooga with new reinforcements. When Rosecrans and his army crossed the Tennessee River they met no initial opposition and Rosecrans assumed that Bragg had evacuated the city. He advanced along a 40-mile front of mountainous terrain — the route he assumed Bragg would take — the objective being to cut off the Confederates' retreat. At the same time Burn-

side had achieved his objective by taking Knoxville and Kingston.

Upon learning of what Rosecrans was doing, Bragg did abandon Chattanooga and took the objective of cutting off the Federals as they emerged from the mountains. In other words, Rosecrans' tactical error, based in part on poor information, had changed the advantage from the Federals to the Confederates because the mountainous terrain caused Federal forces to be isolated from each other, both in communications and command functions.

But just as Rosecrans had made an error, Bragg's forces engaged in a confusing and complex series of maneuvers that deprived the Confederate forces of victory over the isolated Federal units. These failures included faulty communication and coordination be-

tween Bragg's units that allowed Federal units to regroup and reinforce after they discovered the situation, and before the enemy could pin them down.

The sequences described — in broadest terms — set the stage for the First and Second Battles of Chickamauga. It was a battle with heavy losses — the Union Army lost 16,170 men, and the Confederates 18,454 — in two days of fighting, Sept. 19-20, 1863. These losses computed out to over 28% of the "effectives" sent into battle, according to the military historians.

Rosecrans had a basic misunderstanding of the true location of his units. He tried to strengthen the defenses on his right while General George H. Thomas held the other flank (meaning that he was reinforcing and strengthening the wrong side). Rosecrans thought that General T.J. Wood was on the right flank of General Joseph Reynolds. He sent word for Wood "to close up and support Reynolds." The rub was that it was another commander who was on General Wood's left. But Wood, following instructions, left his position and passed behind the other commander and fell his troops in on General Reynolds' right flank.

When this occurred, by luck or coincidence, Confederate General James Longstreet attacked at precisely the vacated point in the Union lines causing two smaller divisions on the flank to be overwhelmed by superior Confederate forces.

Longstreet's attack caused Generals Rosecrans, McCook and Crittenden the senior generals, to be unable to rally the troops around them to attack. The generals, thinking the entire field army had been destroyed, fled to Chattanooga. Union Generals Thomas, Wood and Brannon remained on the field and blocked Longstreet from completely routing the Union forces.

Chickamauga broke the reputation of General William Starke Rosecrans, along with several of his subordinates.

To make matters worse, after the momentary Southern victory at Chickamauga, and Rosecrans' retreat to Chattanooga, Bragg regrouped and laid siege to the city. This caused a near-panic in Washington and the authorities ordered reinforcements to Rosecrans' Army from Memphis and Vicksburg.

Bragg expected Rosecrans to evacuate the city, not knowing of course, the true nature of Union strategy and the magnitude of Rosecrans' failure. For example, he had no way of knowing that Lincoln himself was holding midnight strategy meetings in Washington and was greatly alarmed over the turn of events. When he determined that the Federals were not going to leave, Bragg ordered the young Confederate cavalry General Joe Wheeler to cut the Union lines of communications. The first operation called "Wheeler's Raid" affirmed the Confederates' suspicions that such operations could indeed, at least, harass the Federals.

But the Union reinforcements, including Sherman's



William S. Rosecrans, the Union Civil War general whose signature as Register of the Treasury appears on large size currency, served in that post from June 8, 1885 through May 31, 1893.

march from Memphis, posed another problem, and the Rebel cavalry had to be diverted to check them. Rebel actions did succeed to the extent that Rosecrans' troops in Chattanooga had to be put on starvation rations until the reinforcements arrived in October.

General Grant arrived in mid-October, and took personal charge of the situation. Rosecrans was put on status of "awaiting orders" — which meant that he was fired from his field command — a status that he remained on until June 30, 1864. His subordinates Generals Alexander M. McCook, Thomas L. Crittenden and James S. Negley, were charged with cowardice, misconduct and leaving the field of battle (all were acquitted). General George H. Thomas was given Rosecrans' command as Commanding General of the Army of the Cumberland. Thomas was also awarded hero status as "The Rock of Chicka-

mauga" for his performance. The Union Army regrouped itself under Grant, and thereafter resulted the Chattanooga campaign that made the reputations of Grant and Sherman, and set the stage for the invasion of Georgia by Sherman.

Rosecrans emerges as, perhaps, being treated unfairly, considering the circumstances of terrain, poor communications, bad weather, and the hard fight put up by the very good Rebel cavalry. He, some of his men, and some members of Congress felt that Lincoln, on Grant's advice, had gone too far. The President had cashiered quite a few generals by this time, but none had been so severely reprimanded as Rosecrans. The cases of O.O. Howard and Ben Butler could be cited as examples. Both men had suffered humiliating defeats in the field, yet given subsequent important commands. But men like Howard and Butler were also strongly supported by New England politicians in the Congress.

Another factor was that Rosecrans had been given the Thanks of Congress by resolution on March 3, 1863 "for distinguished gallantry and good conduct at the Battle of Murfreesboro, Tennessee." The general had now gone from glory to the pits, an action that seemed both harsh and vindictive.

Rosecrans blamed Grant for the most part in his downfall, irrespective of the events. Collectors will note that one irony is that the \$5-Silver Certificate of Series 1886-1891 features Rosecrans' signature as Register below, and to the left of the Grant vignette.

Despite his command failures, General Rosecrans remained popular among the men he led and among some of his fellow officers. His major short-

coming was perhaps his legendary short temper and ill disposition, on occasion. Part of the problem may have been caused by his habit of going long periods of time without sleep. But, no matter, Lincoln by this time had grown tired of field generals who failed.

On Jan. 30, 1864, Rosecrans was made commander of the Department of the Missouri. He served in that position for about a year, during which he led troops that forced Confederate General Sterling "Pap" Price to retreat into Texas after the latter's unsuccessful raid into Missouri.

Major-General Rosecrans was mustered out of the United States Volunteers on Jan. 15, 1865, and resigned from the U.S. Army on March 28, 1867, and moved to California. But the "failed" general by now had been courted by the Democratic Party, and he — like most others on the Union side — had become active with that important organization in politics for the next thirty years — the Grand Army of the Republic, or G.A.R. This G.A.R. association and the politics associated with the organization would be responsible for



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When this occurred, by luck or coincidence, Confederate General James Longstreet attacked at precisely the vacated point in the Union lines causing two smaller divisions on the flank to be overwhelmed by superior Confederate forces.

Longstreet's attack caused Generals Rosecrans, McCook and Crittenden the senior generals, to be unable to rally the troops around them to attack. The generals, thinking the entire field army had been destroyed, fled to Chattanooga. Union Generals Thomas, Wood and Brannon remained on the field and blocked Longstreet from completely routing the Union forces.

Chickamauga broke the reputation of General William Starke Rosecrans, along with several of his subordinates.

To make matters worse, after the momentary Southern victory at Chickamauga, and Rosecrans' retreat to Chattanooga, Bragg regrouped and laid siege to the city. This caused a near-panic in Washington and the authorities ordered reinforcements to Rosecrans' Army from Memphis and Vicksburg.

Bragg expected Rosecrans to evacuate the city, not knowing of course, the true nature of Union strategy and the magnitude of Rosecrans' failure. For example, he had no way of knowing that Lincoln himself was holding midnight strategy meetings in Washington and was greatly alarmed over the turn of events. When he determined that the Federals were not going to leave, Bragg ordered the young Confederate cavalry General Joe Wheeler to cut the Union lines of communications. The first operation called "Wheeler's Raid" affirmed the Confederates' suspicions that such operations could indeed, at least, harass the Federals.

But the Union reinforcements, including Sherman's

# From Civil War General to Civil Servant

his future political and civil service career.

The Grand Army of the Republic was founded officially by Benjamin F. Stephenson in Decatur, Ill., on April 6, 1866, but the origin of it was an idea developed on Sherman's expedition to Meridian, Miss., in February, 1864, in a discussion between Stephenson (then a Major) and Union Chaplain W.J. Rutledge.

The G.A.R.'s stated purpose was to strengthen the fellowship among men who fought to preserve the Union, to honor those killed in the war, and foster patriotic purposes, such as upholding the Constitution. But by 1868, the organization had become political; by 1872, Political; by 1880, very political; and by 1888, almost singly, a group to deny President Grover Cleveland reelection.

The first G.A.R. national president was Stephenson, but after that the generals took over. The most prominent among them John A. Logan who served as G.A.R. president three times, and was a Republican Congressman, Senator and Vice-Presidential candidate in 1884.

Personalities like General Logan turned the G.A.R. into what many thought was a political organization. And many critics, within and outside the G.A.R., said that political organization was an appendage of the Republican Party. The charge did not hold up simply because all former Union generals "were not" Republicans among them being George McClellan who had run against Lincoln in the election of 1864. Others were Winfield S. Hancock and Rosecrans.

Rosecrans' role in the G.A.R. began when he was elected president of the California Department of the Grand Army of the Republic. The organization's structure of the G.A.R. consisted of a national structure with national officers in Washington, and then the state "Departments" under presidents who were in position to have tremendous control over the local lodges. In such a set-up the state presidents could control one important element of a national political system — the vote, or more precisely the veteran vote.

Rosecrans came into influence as leader of the "Western" veterans, whether they be nominal Democrats, or nominal Republicans, "free-soilers," "greenbackers," or whatever.

However it must be pointed out that many Union generals had political ambitions during and after the conflict, with one goal in mind being the big office President of the United States. Some possible exceptions were Generals William T. Sherman and Oliver O. Howard; the rest, including those that either got elected to the office, or tried, ranged from Grant to such interesting people as George Armstrong Custer, Ben Butler and Clinton B. Fisk.

Those who were not initially interested in politics had politics introduced to them. Early in 1863, after Rosecrans' heroic victory at Murfreesboro, Horace Greeley the editor of the New York Tribune, and a prominent radical member of the Republican party sent a writer to the general's headquarters to sniff him out. The aide was to "take his measure from head to foot" and to ascertain if he was "Sound on the goose? That is would he refuse to listen to any peace that did not provide for the total extinction of slavery." The aide informed editor Greeley that the general was "sound on the goose," but not interested in politics at the time.

Later while "awaiting orders," Rosecrans was sounded out for being a Vice-Presidential candidate on the 1864 ticket, or at least to actively support the ticket. Rosecrans declined, stating that he had no enthusiasm for Lincoln, but he could not "go to the Association" which McClellan has, meaning he would not support McClellan. Curiously, his correspondence on political matters was mostly with General James Garfield, a Republican and later President of the United States.

By the time Rosecrans moved to California he was strongly supported and courted by the Democratic Party. And out West he was a popular General. The western vote was needed by the party, particularly the veteran vote. This was because the Republican Party based its strength on two main groups,

Union veterans, and the newly freed blacks in the South. A cut into the veteran vote, added to the Democrat's city votes among immigrants controlled by political machines, farmers and Southerners, would provide the Democrats with at least even odds at the polls (curiously, even back then there were more Democrats in number than Republicans among the electorate).

President Andrew Johnson first offered Rosecrans the directorship of the San Francisco Mint. The General declined the offer. Next the Democrats offered him the nomination as Governor of California, which he also declined. Finally, he was convinced to accept the post of Minister to Mexico. He served in that position in 1868-69.

Rosecrans returned to California after his term was up in Mexico (Grant, a Republican, had been elected President of the U.S.) and became a civil engineer; and president of the Safety Power Company of Los Angeles. Spurred on by party interests and the G.A.R., he ran for Congress and was elected in 1881 and 1883. He chose not to run for re-election for a third term and returned to California. He became a rancher and engineer, and member of the board of regents of the University of California.

Back in California, Rosecrans became even more prosperous in his personal ventures. But the heated political issues of the day were social and economic when it came to the status of veterans. The G.A.R., both on the national level and local level, was right in the middle of things. While it was true that the national G.A.R. officers saw organization as a tool for getting the vote for their candidates, their concerns for the need of veterans pensions, soldier and sailors' homes, burial benefits and so on did not go away. The average western veteran was even more concerned because he saw others taking advantage of the vast land, whether it be homesteader, or rich cattle baron; but he could not, because, perhaps, the war had broken him, mentally, or physically. His was a feeling of genuine need, or a feeling that the government simply owed him for his service.

During this period immediately after the Civil War, few other issues divided the two major parties — a fact that would change later. This was particularly true in 1880 when, appealing to the veteran vote, both parties nominated former generals as their candidates — James A. Garfield for the Republicans and Winfield S. Hancock for the Democrats. (Hancock is the gentleman on the \$2 Silver Certificates, Series 1886). A third party, the Greenback Party also nominated a former general, James B. Weaver of Iowa, as its candidate. Garfield was elected President, but was shot by a disappointed office-seeker, bringing Chester A. Arthur to the Presidency.

Although President by accident, Arthur had a respectable term in office, though he failed to gain enough political support for renomination by the Republican Party. As far as the "military" qualification, he met that requirement, for he too had been a general (brigadier) during the Civil War. But Arthur was challenged by James G. Blaine of Maine, making his third try for the Republican nomination. The Democrats nominated Grover Cleveland of New York. This was to be one of the hardest



Another irony for Rosecrans was the affixing of his signature to the \$5 Coin Notes, bearing the portrait of Gen. George H. Thomas, who served directly under Rosecrans at the battle of Chickamauga emerged as the Union hero and was given the nickname "The Rock of Chickamauga," and "commemorated" on the Coin Note series; while Rosecrans himself was disgraced as a military leader.

fought of all presidential campaigns.

A strong supporter of Cleveland in California was General Rosecrans. Rosecrans was apparently effective in that state and the West in getting out the veterans' vote.

When the political fight was over Grover Cleveland was elected President. Upon his election, Cleveland appointed Rosecrans as Register of the Treasury.

According to the Treasury Department, the Register of the Treasury's duties were, "To receive from official agencies all bonds and other public debt securities, both bearer and registered, including collateral issue of interest coupons, representing principal and interest of the public debt when paid and cancelled, or otherwise cancelled and retired and voided, for any purpose whatsoever; to audit, hold in custody, and make disposition thereof; to record all bearer securities and other contiguous coupons prepared for issue and all such securities and coupons retired, and to record registered bonds issued and retired; to certify to the Comptroller General of the United States the clearance of the public debt disbursements of the Treasurer of the United States for all redeemed securities whether paid by the Treasurer direct, or through the Treasurers account." This "job description" was true for all Registers of the Treasury, with a clause being added that later covered the Federal Reserve System during the period in which large size currency was issued.

But it was a political appointment made by Cleveland. Rosecrans apparently performed competently in the position, at least being respected by the Washington politicians.

Cleveland ran a firm, honest and conservative administration that gave him a great deal of respect. But at the same time he offended powerful interest groups, among them the Grand Army of the Republic and the tariff protectionists.

Cleveland was renominated by the Democrats for the election of 1888. The Republicans nominated Benjamin Harrison, grandson of the ninth President of the United States, William Henry Harrison.

Benjamin Harrison, from Indiana, was from a distinguished family, had a good war record

(Brevet Brigadier General for war service), was a corporation lawyer, and was acceptable to those who controlled the Republican Party. He was also the candidate of the Grand Army of the Republic.

Cleveland had run afoul of the Grand Army of the Republic by not being sympathetic to the veterans' reform proposals in the areas of pensions, payment of bounties, bonuses and support for retirement homes. There was also the matter of government patronage, which meant to the G.A.R. that veterans would be given preference in employment in the government service — in some cases a veteran would be placed on the payroll if he was honorable and simply needed the job. Cleveland was against this last proposal, pointing to the Pendleton Act that Congress had passed in 1882 which provided for "merit" employment. (The Pendleton Act being passed as a result, in part, of Garfield's assassination.)

The Grand Army of the Republic went out to "get" President Cleveland. "Get" him they did, using some of the dirtiest tricks an organization has ever used against a publicly elected official. One trick was to spread the word that the President had been a "draft dodger" during the war. Indeed, Cleveland had not served during the war, even though he was in his mid-Twenties during the period of the conflict. He had been a politician, back in Buffalo, N.Y., "serving" in that manner. In the heat of the campaign, he had difficulty defending his lack of valor, especially since he had been an hostile to those who had fought for the cause and the flag.

Although it was not the age of radio or television, and the G.A.R. did not have control of the press, the organization was able to carry out its attack well through the G.A.R. conventions and literature distributed to its members. The effectiveness can be explained in part by the graphic style of the writers, picturing the poor veteran being deprived of the birthrights that he fought for on the battlefield by an unfeeling leader of the Union; "no worse than those of had spread the seeds of the Rebellion."

Benjamin Harrison won the election of 1888. Cleveland, the

(ROSECRANS, Page 24)



It must have been a bitter pill for Register of the Treasury William S. Rosecrans to have to affix his signature to the design of the Series 1886 \$5 Silver Certificate with Grant's portrait. Rosecrans felt that Grant had worked against him during the Civil War to discredit Rosecrans' leadership abilities.



## ROSECRANS,

(From Page 13)

Democrat, was out but Harrison retained General Rosecrans as Register of the Treasury. The G.A.R. lobbied for him officially, but really would have preferred another, Republican, G.A.R. man.

Harrison quickly found himself generally opposing most of the major programs of his own party and the interest groups that had supported him, including the G.A.R. (By the way, he was an active member of the G.A.R. before becoming President). But he did approve the Sherman Silver Dollar Purchase Act or Legal Tender Act of 1890 that provided for the issuing of enough legal tender Treasury, or Coin, notes to purchase 4,500,000 ounces of silver per month.

Soon Harrison faced popular anger because what was felt was inadequate veterans' legislation and the continuing high protective tariff. By mid-term the whole Republican Party was blamed for the state of affairs.

The elections for the 1890 mid-term Congress resulted in the Republicans losing their majority. This was due in part to the influence of special interest groups, including Westerners, farmers, and dissatisfied members of the G.A.R. This change of events provided hopes among the Democrats



Benjamin Harrison, the Republican, retained Rosecrans in his Register's job, though the former general was a Democrat... that they might regain the Presidency.

It was this Congress that passed the Sherman Silver Purchase Act. However, the matter was not all that simple. For one thing, the matter was put forth by the Republicans, who wanted to placate the few new members of Congress who had been elected on such slates as the Populist and Silver Republican parties; for with the support of these parties, the Republicans could have a 'working majority' coalition. After Harrison's term was

up, the Republicans renominated him. The Democrats renominated Grover Cleveland. The main issues of the campaign were the many controversial measures of Harrison's Administration, together with the demand for the free and unlimited coinage of silver and the plight of Midwestern and Western farmers. Cleveland won the election.

Rosecrans retired on June 19, 1893, six months into the second term of President Grover Cleveland. He had served 8 years, 1 month and 22 days as Register of the Treasury. This is the longest tenure for any official's signature to appear on currency from the standpoint of the person being in office.

Perhaps the most interesting notes that Rosecrans' signature appear on are the Treasury Notes of Series 1890-91 as a result of the Legal Tender Act of July 4, 1890. Commonly called "Coin" Notes, there is sometimes confusion among collectors as to whether they are silver certificates, legal tender notes, or what have you.

The notes are Treasury notes, paper currency made legal tender for the primary purpose of subsidizing the silver interests (at the time) by placing silver in a defacto ratio with gold as a monetary standard of sorts. The notes were used for payment of silver bullion from the silver miners, with the silver serving as backing. The notes in turn, were redeemable in actual coin, but the Secretary of the Treasury had the option of paying out either gold or silver coin. This choice, especially when the notes were held by the big banks or foreign, was the "problem" with the whole arrangement, for gold was the preferred specie.

These Treasury, or Coin Notes are extremely rare today, especially in denominations above \$10 because of the flaw in the law. Where did they go? The obvious answer: back to the government, and in the process causing the Federal Treasury to be legally "raided" for gold.

The signature of William S. Rosecrans appears on at least one variety of all denominations of Series 1890 and 1891 Coin Notes, \$1-\$1,000.

The other aspect of the Coin Notes that may be of interest to collectors is the "commemorative" nature of the issues. They are sometimes known as the "Generals' notes." They were not officially commemorative notes, as the United States has never issued such, but the role of the Grand Army of the Republic cannot be overlooked in the whole affair.

Under the influence of the Grand Army of the Republic, the Union Civil War veterans organization, the Congress

made the Coin Notes in effect a commemorative paper money affair. With the exception of the \$20 notes, every issue honors a Civil War General or person closely allied with the Lincoln Administration during the war.

The \$1 note has the vignette of Edwin M. Stanton, the Yankee Secretary of War under both Lincoln and Johnson and a "Radical" member of the Lincoln cabinet. The \$2 note fea-



Grover Cleveland, the Democratic president, brought Rosecrans back from California to be Register of the Treasury.

tures the bust of General James McPherson, the hero of the Battle of Vicksburg; the \$5 notes features the head of Rosecrans' replacement as commander, General George H. Thomas; the \$10 features the profile of General Philip H. Sheridan (who succeeded Sherman as Commander-in-Chief of the Army in 1884); The \$20 features the head of John Marshall, fourth Chief Justice of the U.S. Supreme Court, (a departure from the "commemorative" nature of the issues); the \$50 features a profile of William H. Seward, Secretary of State under both Lincoln and Johnson. He is best known today for his purchase of the Alaska Territory, but during the era he was one of Lincoln's strongest supporters.

On the "big" notes, the \$100 bears the head of Admiral

David G. Farragut, the first man to hold the rank of Admiral (achieved during the Civil War), the \$500 bears the head of General William T. Sherman, and the \$1,000, known as the "Grand Watermelon" note, bears the head of General George Gordon Meade, commander of Union troops at Gettysburg.

Among other notes on which the Rosecrans signature appears are the Gold Certificates

of Series 1882, National Bank Notes of the First and Second Charter periods and the Silver Certificate Series of 1886.

After his tenure as Register, Rosecrans retired to California where he died near Redondo on March 11, 1898. He was buried in Rosedale Cemetery, Los Angeles and later, his body moved to Arlington National Cemetery, Fort Meyer, Virginia — the burial place of U.S. Army heroes.

his signature also  
appears on  
Tractional  
Currency  
see 3R50.2